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VETERANS' EDUCATION POLICY

A REPORT

PREPARED BY THE

COMMISSION TO ASSESS VETERANS' EDUCATION POLICY

(PURSUANT TO PUBLIC LAW 99-576)

SUBMITTED TO THE

ADMINISTRATOR OF VETERANS' AFFAIRS

AND THE

HOUSE OF REPRESENTATIVES AND SENATE COMMITTEES ON VETERANS' AFFAIRS

HOUSE COMMITTEE PRINT NO. 17

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Ranking Minority Member
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Washington, DC 20510

Honorable Gerald B.H. Solomon
Ranking Minority Member
House Veterans' Affairs Committee
Washington, DC 20515

Dear Senators Cranston and Murkowski and Representatives Montgomery and Solomon,

It is with great pleasure that I transmit to you the report of the Commission to Assess Veterans' Education Policy required by section 320 of Public Law 99-576. I am particularly proud to note that, in accordance with our mandate, the report is being submitted consistent with the legislative timeframe -- within eighteen months following the formal constitution of the Commission.

This report represents the culmination of the talents of many dedicated individuals -- only a few of whom are formally acknowledged. The membership of the Commission itself was remarkable; all eleven Commissioners have given graciously of their time, their expertise, and their resources to this initiative.

The cooperation of the VA has also been outstanding. From the outset, we have benefitted from the most extraordinary efforts of so many throughout the organization. For that, we are extremely grateful.

Finally, the participation of our Ex Officio members has been invaluable. Indeed, without their encouragement and guidance this report would not have been possible. In retrospect, the Commission may have established a new standard of cooperation for future forums exploring issues.

If I or any of the members of the Commission can assist in any way in your consideration of this report, please let us know.

Sincerely,

Janet D. Steiger

Janet D. Steiger, Chairman
Commission to Assess Veterans'
Education Policy

COMMISSION TO ASSESS VETERANS' EDUCATION POLICY

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REPORT TO THE ADMINISTRATOR OF VETERANS' AFFAIRS
AND TO THE HOUSE AND THE SENATE
COMMITTEES ON VETERANS' AFFAIRS

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AUGUST 29, 1988

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TABLE OF CONTENTS

Acknowledgments and Thanks.. 7
Statement of Principles and Assumptions........................ 11
Summary of Commission's Recommendations........................ 17
Commission Organization and Background......................... 27
Summary of Programs.. 35
History of the Purpose of Veterans' Educational Assistance Benefits.. 41
Montgomery GI Bill Student..................................... 57
Education in the Nineties...................................... 65

Discussion of Recommendations

BENEFIT-DELIVERY SYSTEM STRUCTURE.......................... 77
CERTIFICATIONS AND REPORTS; EFFECTIVE DATES................ 85
CHANGES OF PROGRAM LIMITATIONS............................. 93
COMPLIANCE SURVEYS AND SUPERVISORY VISITS.................. 99
COUNSELING AND SUPPORT SERVICES TO VETERANS................ 105
DEBT RECOVERY AND FRAUDULENT CLAIMS........................ 111
DISTINCTIONS BETWEEN NON-COLLEGE DEGREE AND DEGREE TRAINING. 115
MEASUREMENT.. 127
MITIGATING CIRCUMSTANCES................................... 137
PUBLICATIONS... 143
REMEDIAL, DEFICIENCY, AND REFRESHER TRAINING............... 149
REPORTING FEES... 153
RESTORATION OF PAY REDUCTIONS UNDER CERTAIN CIRCUMSTANCES... 159
ROLE OF CONTINUING EDUCATION............................... 161
STANDARDIZATION.. 163
TRAINING AND ASSOCIATED ADMINISTRATIVE RESOURCES........... 171
TWO-YEAR RULE, STANDARDS OF PROGRESS, AND THE "85-15 RULE".. 179
VALUE OF HOME-STUDY COURSES; EDUCATIONAL ASSESSMENT........ 185
WORK-STUDY PROGRAM... 187

Separate Views of Commissioners Ostar and Fowler 193
Separate Views of Commissioner Wickes.......................... 195

APPENDIX A - Minutes of Commission's Meetings.................. 197
APPENDIX B - Survey Overview................................... 273

ACKNOWLEDGMENTS AND THANKS

The members of the Commission thank the many people who contributed to this initiative. As is usually the case in efforts of this magnitude, naming every contributor is virtually impossible. Nevertheless, there are a number of people whose help deserves specific mention.

Sincere gratitude is extended to the Administrator of Veterans' Affairs, the Honorable Thomas K. Turnage, as well as the VA's Chief Benefits Director, R. John Vogel, for their cooperation and many courtesies. In addition, the Administrator's designee to the Commission, Celia P. Dollarhide, made many extremely positive and helpful contributions to the success of the Commission's work.

The Director of the VA's Vocational Rehabilitation and Education Service, Dr. Dennis R. Wyant, and his entire staff provided enormous assistance. In addition to providing technical and administrative support to the Commission, they welcomed the Commission's Executive Director into their workplace and accommodated so many of the Commission's needs.

The Commission was fortunate to have three of the staff of the VR&E Service as resource persons: Robert H. Ketels, Williams G. Susling, and Gerald R. Weeks. In addition, a number of other staff within the VR&E Service worked directly with the Commission and were indispensable. They include: Mary F. Leyland, Deputy Director of VR&E; June C. Schaeffer, Assistant Director for Education Policy and Program Administration;

Theodore A. Van Hintum, Operations Assistant Director; John L. Fox, Assistant Director for Education Procedures and Systems; and Alan R. Zoeckler, Program Administration Staff Chief.

Many others within the VA who have earned the Commission's deepest gratitude. Judith H. Whitfield assisted in travel and expense reimbursements. The directors and staff at the VA's regional offices visited by the Commission graciously gave of their time and their expertise. The support staff throughout the VA who assisted in the Commission's work and were always patient and helpful. The many friends the Commission has made and their contributions will be long remembered.

Special thanks must go to A. Wayne Taylor, VR&E Legal Consultant for Program Administration. Wayne Taylor performed outstanding service as the Commission's "scribe" at its meetings and did much more. Without his splendid help and assistance, this report could never have been completed. His contributions, patience, and friendship are deeply appreciated.

The Commission also wishes to thank those outside the VA who participated in the Commission's work. Specifically, our Ex Officio members from the Departments of Labor and Education, the Honorable Don Shasteen and the Honorable C. Ronald Kimberling, and their designees, Jim Parker and Leo Paszkiewicz. On an unhappy note, the Commission was extremely saddened by the tragic accident that befell Leo Paszkiewicz in April 1988. His capable services are sorely missed, and the members of the Commission extend sincere hopes for a complete recovery to him and his family.

The Commission's Congressional Ex Officio members and their designees -- Jill Cochran, Geoff Gleason, Darryl Kehrer, and Chris Yoder -- were extraordinarily active in this endeavor. The Commission is grateful for their time and efforts.

Kudos to those who participated in the meetings of the Commission. Their contributions and input in terms of valuable presentations and input were of great help. Special thanks are in order for Dr. Charles Cowan of the Department of Education who assisted in the preparation of the portion of this report on trends in the higher education community.

Finally, thanks are also owed the many respondents to the Commission's surveys. Their detailed replies were highly instrumental in helping the Commission identify problems and evaluate solutions.

7

STATEMENT OF PRINCIPLES AND ASSUMPTIONS

Underlying the Commission's recommendations are a number of principles and assumptions that have provided the basis for its deliberations and conclusions. The Commission urges those who make decisions regarding the future of the GI Bill to review the recommendations against this background.

- GI Bill benefits have proven to be a valuable investment in America's future and they will continue to be.

- Veterans' education benefits need to be administered in an atmosphere of flexibility and consistency to ensure that veterans who have earned as well as invested in these benefits are permitted to use them in a manner most consistent with their needs and in the best interests of the Federal government and the taxpayer. Those who would intentionally abuse the system will find a means around virtually any rule designed to prevent a specific abuse. While the need for safeguards remains, compliance efforts must emphasize identification of those who abuse the benefits rather than regulation of every aspect of the system.

- The successful administration of GI Bill benefits is a shared responsibility. The VA, the Department of Defense, State approving agencies, institutions and training establishments, and the veteran each have responsibilities in this regard. Emphasis should be placed, however, on the primary responsibility of the veteran for conscientious use of benefits.

- The pursuit of an educational, vocational, or professional goal or objective has long been a keystone of the philosophy of the GI Bill. This purpose of pursuit remains valid and essential to the success of the Montgomery GI Bill.

- The role and responsibilities of the States, through the State approving agency system, in the approval process has been reaffirmed with the enactment of Public Law 100-323.

- The administration of veterans' education benefits is primarily the prerogative of the Veterans' Administration. Nevertheless, the VA does not and should not operate in a vacuum separate and apart from the fabric of educational programs in this Nation.

- VA education programs have historically had time limits with specific or functional termination dates. Operation of the programs has naturally reflected their limited duration. Today, the new Montgomery GI Bill is a permanent program. Planning, staffing, decision making, and implementation of all of the various education programs must take this factor into consideration.

- There are a number of factors that make the Montgomery GI Bill unique, and the educational environment in which these GI Bill benefits will be used is a different place than it was in the past.

The vast majority of students enrolling in schools will not be recipients of VA educational assistance benefits. The total value and proportion of the GI Bill that could be misused is substantially less than it has been in the past.

Education is costly. Individuals seeking education under the GI Bill in the future will in most cases need to invest their own resources -- over and above any contribution or pay reduction already invested.

The fact that most GI Bill students will have made a monetary investment in their benefits will contribute to wiser and wider use of benefits.

Students enrolled in higher education will increasingly be older, more mature students who are returning to school to enhance their knowledge and level of achievement. Institutions will employ a variety of non-traditional methods of education in order to accommodate the needs of these adult learners.

- The Montgomery GI Bill student is expected to be a more serious student. This new veteran will not only have been required to make an investment in the GI Bill benefits, but also to have served honorably and to have attained a high-school graduate level of education. There is apt to be a higher usage rate of benefits under the Montgomery GI Bill than under prior GI Bills -- and more use of benefits for postgraduate study. The Montgomery GI Bill students will bring a high degree of personal discipline and responsibility to their educational pursuits. These students are more likely to resemble the adult learner returning to an educational environment than those entering college immediately following high school. The likelihood of the Montgomery GI Bill student having family and job responsibilities is considerable.

- The various educational assistance programs administered by the VA are extraordinarily complex and intricate. To the maximum extent possible, simplification and standardization in the more than ten educational assistance programs should be sought in order to eliminate administrative difficulties and ensure consistency and accuracy in benefits.

- One of the most important keys to successful administration of VA educational programs is adequate resources that will enable the VA to meet and sustain staffing, automated data processing, travel, training, and other needs.

- Full-time study no longer means full-time "employment" as a student. Rather, it describes a rate of pursuit that will generally allow a student to reach a specified objective in a specified period of time.

- Finally, and perhaps most importantly, by virtue of participating in a program of veterans' educational assistance the veteran should never be penalized or placed in a position less advantageous than participants in other programs of educational assistance.

Looking at this valuable program, the Commission has sought to identify those provisions that unintentionally thwart the underlying purpose of the GI Bill -- meaningful postsecondary education for the veteran -- and to retain the tried and true abuse controls that help to make a great program better. Nevertheless, ultimate responsibility for success or failure of the program remains in the hands of the veterans.

SUMMARY OF COMMISSION'S RECOMMENDATIONS

Benefit-Delivery System Structure

- Adopt in the long run a consolidated-region approach to the processing of all education programs (to include adjudication and processing of all benefits and approval and compliance functions) to be located in a handful of large regions and retaining only an "education ombudsman" capacity (having direct-line responsibility flowing through the education program) in each of the 58 regional offices. Ombudsman pay and grade level should be commensurate with the responsibility to maintain liaison with institutions, students, reserve units, and others, and to undertake problem solving and trouble shooting as required.

Certifications and Reports: Effective Dates

- Provide authority under all chapters to require monthly self-certification verifying pursuit of training with a bar to benefits without it for both degree and non-degree training for all rates of training (including training on less than a half-time basis), as is now being implemented under chapter 30.

- Following an analysis of the effectiveness of these certifications in obtaining timely and accurate reports of changes in training status, consider modification of the requirement that institutions report changes in status within 30 days of the date of the event to a requirement that these changes be reported within 30 days of the date on which the institution has knowledge of the event.

- Make adjustments in benefits in all chapters that are required because of changes in training time effective on the date of the actual event, rather than at the end of the month in which the change occurs.

Changes of Program Limitations

- Abolish the limit on the number of changes of program (retaining restrictions for failure to progress).

- Institute a counseling requirement for changes of program beyond an initial change.

Compliance Surveys and Supervisory Visits

- Monitor by exception by permitting the VA to target schools for compliance survey audits based on factors outside the norm.

- Require resources of the State approving agencies to be concentrated on schools where assistance is needed or problems exist in lieu of the requirement that annual visits be made to all active institutions.

- Re-model compliance surveys and SAA supervisory visits to create problem-resolution and training opportunities, recognizing that such an approach would improve administration of benefits and recognize strengths as well as weaknesses during the feed-back process.

- Give special attention and assistance to institutions having a turnover in staff that are responsible for administering GI Bill benefits.

Counseling and Support Services to Veterans

- Counseling and associated support services be provided on an "upfront" basis to individuals seeking to use GI Bill benefits, as well as on a continuing basis as needed or requested.

Debt Recovery and Fraudulent Claims

- The VA continue determined initiatives to facilitate aggressive and timely efforts to recover overpayments of educational assistance benefits.

- Adequate resources and personnel be made available to the VA for this purpose.

- Other Federal agencies (such as the Department of Justice, the Department of the Treasury, the Department of Education, and the Department of Defense) be required to cooperate in these efforts.

Distinctions between Non-College Degree and Degree Training

- Remove arbitrary distinctions in the treatment of degree and NCD programs.

Measurement

- Determine rate of benefits based on progress toward an educational, vocational, or professional goal through an approved program of study, shifting concern from the mode of delivery to concern about progress in attaining the objective.

- Eliminate Standard Class Sessions as a measurement criterion and measure all programs that include classroom instruction by industry standard "units" (credit or clock hours depending on the institution's standard).

- Permit independent and other non-traditional modes of study (defined as those not requiring regularly scheduled contact with an instructor in a classroom setting) without discrimination but limit it within the student's overall program to a maximum of ten percent of the total length of the program.

- Offer an alternative payment schedule based on 75 percent of the otherwise applicable rate for certain programs not meeting the criteria of the "full-time pursuit" concept, such as those offered entirely through independent study, thus recognizing to a greater degree the effort required and the rate of pursuit towards a goal.

- Rely on State approving agencies to determine what constitutes an approved program leading to an educational, vocational, or professional goal or objective.

Mitigating Circumstances

- Modify the "mitigating circumstances" policy to permit students to withdraw without penalty from a course or courses up to a specified limit with a non-punitive grade without producing mitigating circumstances for the withdrawal.

- Specify that "mitigating circumstances" may include child care difficulties.

Publications

- Make available on a regular basis up-to-date publications such as newsletters and manuals designed to assist institutions in administering benefits.

- Rewrite the chapters of title 38, USC, pertaining to educational assistance programs (and as necessary other provisions of law) to provide for better organization, clarity, readability, and understanding (particularly in view of the termination of the chapter 34 program on December 31, 1989).

Remedial, Deficiency, and Refresher Training

- Make available GI Bill benefits for remedial, deficiency, and refresher training under all of the various educational assistance programs, including the programs established by the Hostage Relief Act (HRA) and the Omnibus Diplomatic Security Antiterrorism Act, as well as the chapters 30 and 106 and sections 901 and 903 programs.

- Resolve the issue of the charge to entitlement for this type of training in a consistent manner. Based on the precedent established by the chapter 34 program, the Commission believes that there should be no charge to entitlement for benefits paid for this pursuit.

- If a nine-month limitation on refresher training is incorporated in the Montgomery GI Bill programs, an identical limitation should be added to the other chapters for consistency.

Reporting Fees

- Increase the amount of reporting fees paid on an annual basis.

- Provide that the amount of the fee be based on a scale, rather than a head count. For example, schools who have 5 or fewer eligibles enrolled would be paid "X", schools with 6 to 25 eligibles enrolled would be paid "Y", and so forth.

- Include chapter 31 trainees in the count of those on whose behalf the fee is paid.

Restoration of Pay Reductions Under Certain Circumstances

- Permit the restoration of pay reductions as a death benefit and in certain other limited circumstances.

Role of Continuing Education

- Make approvals of continuing education courses consistent with the stated principle of the GI Bill that programs of education must lead to an educational, vocational, or professional goal.

Standardization

- Standardize the different features of the various veterans' education programs to the maximum extent possible, consistent with their design and purpose.

Training and Associated Administrative Resources

- Sufficient resources be made available to carry out regular training sessions of all those involved in the administration of GI Bill benefits.

- Enhanced computer capabilities (with emphasis on an on-line facilities file) be made a priority within the VA.

- Staffing and other resource allocation decisions take into account the reality of an increasing educational assistance caseload.

- VA work-measurement criteria reflect the non-paper aspect of the administration of benefits, the need to enhance morale, and the provision of personal attention.

Two-Year Rule, Standards of Progress and the "85-15 Rule"

- Reaffirm the provisions of title 38 that have been effective in encouraging appropriate use of GI Bill benefits, such as the two-year rule, standards of progress criteria, and the "85-15 Rule".

- Apply these provisions across the board to all the programs of educational assistance administered by the VA.

- Incorporate into the criteria for determining waiver or applicability of both the two-year rule and the "85-15 rule" those individuals training under the chapter 106 program.

Value of Home Study Courses

- No finding was made by the Commission on this issue.

Work-Study Program

- Overhaul the VA's work-study program to provide for a flexible progressive payment scale that could be used to attract and retain quality work-study students, especially in high-cost areas.

- Expand eligibility for the VA's work-study program to individuals training under the chapter 35 and the chapter 106 programs.

COMMISSION ORGANIZATION AND BACKGROUND

The Commission to Assess Veterans' Education Policy was established by section 320 of Public Law 99-576, enacted on October 28, 1986. The Commission was charged with the responsibility of submitting a report to the Administrator of Veterans' Affairs and to the House and the Senate Committees on Veterans' Affairs on its findings, views, and recommendations with respect to various matters relating to the administration of VA educational assistance programs. Specifically, the Commission was to address the following:

- The need for distinctions between certificate-granting courses and degree granting courses.

- The measurement of courses for the purposes of payment of educational assistance benefits.

- The vocational value of courses offered through home study.

- The role of innovative and nontraditional programs of education and the manner in which such programs should be treated for purposes of educational assistance benefits by the VA, including courses that result in the achievement of continuing education units.

- Other matters relating to the administration of VA educational assistance programs as the Commission considered appropriate or necessary or as are suggested by the Administrator or by the House and the Senate Committees.

The Commission's first report was required to be submitted 18 months after its formal establishment. The Administrator is required to submit a report to the Congressional Committees responding to the Commission's first report within six months of this submission. Ninety days after the Administrator's response, the Commission is to submit a report of its views of the Administrator's response. Not later than two years after the Commission's report is submitted, the Administrator is to submit a final report to the Congressional Committees. The Commission will terminate 90 days following the Administrator's final report.

COMMISSION MEMBERSHIP

The Commission was formally established at its first meeting on April 29, 1987. The Commission consists of eleven individuals, ten of whom were appointed by the Administrator, after consultation with the Chairmen and Ranking Minority Members of the House and the Senate Committees; the eleventh member is the Chairman of the Administrator's Advisory Committee on Education established by section 1792 of title 38, United States Code. The members of the Commission are required by law to be broadly representative of entities engaged in providing education and training and of veterans' service organizations and selected on the basis of their knowledge of and experience in education and training policy and the implementation of that policy with respect to the VA programs.

The members of the Commission are as follows:

Mrs. Janet D. Steiger, Chairman
Chairman, Postal Rate Commission, and co-author of the 1979 report entitled GI Course Approvals, prepared by the National Academy of Public Administration for the VA pursuant to Public Law 95-202

Mr. Ross L. Alloway
President (1987-88), National Association of Trade and Technical Schools, and National Operations Manager, National Education Centers, Inc. (Resigned from the Commission in May 1988)

Mr. William A. Fowler
Executive Director, National Home Study Council

Mr. Charles R. Jackson
Vice President for Government Affairs, Non-Commissioned Officers Association

Mr. Oliver Meadows
Chairman, Administrator's Advisory Committee on Education

Mr. Allan W. Ostar
President, American Association of State Colleges and Universities

Dr. John C. Petersen
Executive Director, Accrediting Commission for Community and Junior Colleges, Western Association of Schools and Colleges

Ms. Bertie Rowland
President, National Association of Veterans Program Administrators, and Veterans' Coordinator, California State University, Chico

Dr. Ned J. Sifferlen
Vice President for Instruction, Sinclair Community College (Dayton, Ohio)

Mr. C. Donald Sweeney
President (1984-1987), National Association of State Approving Agencies, and Director, Division of Military and Veterans Education, Maine Department of Educational & Cultural Services

Mr. John F. Wickes, Jr.
Attorney and former Deputy Counsel of the Senate Committee on Veterans' Affairs (1975-1978).

At its first meeting on April 29, 1987, the Commission selected Babette V. Polzer (former Professional Staff Member of the Senate Committee on Veterans' Affairs) as its Executive Director.

In addition, the law provides for a number of individuals (or their designees) to serve as Ex Officio members of the Commission. These individuals and their designees are:

Honorable Thomas K. Turnage
Administrator of Veterans' Affairs

Designee: Mrs. Celia P. Dollarhide, Special Assistant to the Deputy Chief Benefits Director for Program Management

Honorable G.V. "Sonny" Montgomery
Chairman, House Committee on Veterans' Affairs

Designee: Ms. Jill Cochran, Professional Staff Member, House Committee on Veterans' Affairs

Honorable Gerald Solomon
Ranking Minority Member, House Committee on Veterans' Affairs

Designee: Mr. Geoff Gleason, Professional Staff Member, House Committee on Veterans' Affairs

Honorable Alan Cranston
Chairman, Senate Committee on Veterans' Affairs

Designee: Mr. Darryl Kehrer, Professional Staff Member, Senate Committee on Veterans' Affairs

Honorable Frank Murkowski
Ranking Minority Member, Senate Committee on Veterans Affairs

Designee: Mr. Chris Yoder, Professional Staff Member, Senate Committee on Veterans' Affairs

Honorable C. Ronald Kimberling
Assistant Secretary for Postsecondary Education, Department of Education

Designee: Mr. Leo Paszkiewicz, Special Assistant to the Assistant Secretary

Honorable Donald E. Shasteen
Assistant Secretary of Labor for Veterans' Employment and Training, Department of Labor

Designee: Mr. James Parker, Special Assistant to the Assistant Secretary

Honorable Grant S. Green
Assistant Secretary of Defense for Force Management and Personnel
(Added May 1988 by section 15 of Public Law 100-323)

COMMISSION ORGANIZATION

In order to provide for the orderly consideration of the issues it was to address, the Commission divided itself into three working subgroups:

SUBGROUP A: MEASUREMENT
Issues include how various types and modes of training are measured and paid, need for distinctions between clock- and credit-hours, degree and certificate courses, innovative and independent study.
MEMBERS: Commissioners Rowland (Chairman), Alloway, Fowler, and Sifferlen

SUBGROUP B: APPROVAL PROCESS
Issues include the mechanisms by which schools and programs are approved for purposes of payment of GI Bill benefits, including the State approving agencies' role, the VA's role, paperwork issues, and automated data processing issues.
MEMBERS: Commissioners Petersen (Chairman), Sweeney, and Wickes

SUBGROUP C: ADMINISTRATIVE CRITERIA
Issues include the continuing need for various provisions of law, rules, and regulations, policies and procedures by which institutions courses, and programs of study are approved and retain approval for purposes of the GI Bill and the prospective need for new and/or revised protections.
MEMBERS: Commissioners Ostar (Chairman), Jackson, and Meadows

The Administrator of Veterans' Affairs was asked to assign a resource representative to each of these subgroups to assist in their discussions. These individuals and their assignments are as follows:

SUBGROUP A:	Mr. William G. Susling, Education Advisor, Education Policy and Program Administration
SUBGROUP B:	Mr. Robert H. Ketels, Central Office Operations Chief, Education Operations
SUBGROUP C:	Mr. Gerald R. Weeks, Procedures Staff Chief, Education Procedures and Systems

COMMISSION ACTIVITIES

During the eighteen-month period in which this report was prepared the Commission held six open meetings: April 29, 1987; July 30, 1987; November 16, 1987; January 25, 1988; March 29, 1988; and August 8, 1988. The complete minutes of the Commission's meetings are printed as Appendix A of this Report.

As can be seen by a review of the minutes of the Commission's meetings, extensive fact finding and problem identification activities were undertaken by the Commission. In addition, many difficult issues were addressed head on, such as the discussion of the role of State approving agencies in the VA system (see particularly page 15 of the minutes of the July 30, 1987, meeting) and the issues raised by Dr. C. Ron Kimberling in his letter to the Chairman of November 12, 1987 (see attachment to the minutes of the November 17, 1987, meeting).

In addition, the Commission conducted a number of field activities. The members of the Commission had the opportunity to participate in three field trips to VA Regional Offices in June 1988 as follows:

San Francisco, California - June 2
St. Louis, Missouri - June 6
Philadelphia, Pennsylvania - June 10

During these field trips, the participating Commissioners had the opportunity to observe VA operations first hand and to discuss with VA employees, State approving agency personnel, and other interested parties matters of interest and concern.

Additionally, the Commission was represented by its Executive Director at a number of national forums as follows:

National Association of Veterans Program Administrators National Convention (Baltimore, Maryland, October 1987)

American Association of State Colleges and Universities National Convention (New Orleans, Louisiana, November 1987)

National Association of State Approving Agencies Annual Meeting (Washington, DC, February 1988)

National Home Study Council Annual Convention (San Diego, California, March 1988)

National Association of State Approving Agencies Annual Convention (Baltimore, Maryland, July 1988)

The Commission's Executive Director also accompanied a VA Central Office audit team on a survey of the VA's Nashville, Tennessee, Regional Office in August 1987. During this survey visit, the Commission had the opportunity to receive suggestions from VA employees and Tennessee State Approving Agency personnel.

In order further to expand its base and to collect the broadest possible representation of those involved in the administration of VA educational assistance programs, the Commission conducted surveys of educational institutions, State approving agencies, and VA education liaison representatives. The conduct and results of these undertakings are detailed in Appendix B of this report.

Finally, a number of members of the Commission made their own personal "fact finding" visits in their communities to assist them in fulfilling their responsibilities.

Throughout its work, the Commission has attempted to strike a balance between the need to continue to have in place sufficient safeguards to ensure the proper and efficient administration of VA educational assistance programs while at the same time suggesting improvements to reflect the state of higher education today and in the future. Much of the current structure of the programs emerged in reaction to past abuses and misuses. The result is a hodge-podge of restrictive and unrealistic provisions of law and regulations that often fail to serve the best interests of the veteran and the Federal government by making the program administratively inflexible and unduly cumbersome.

The Commission has sought to make recommendations to further the goals of simplification, standardization, and flexibility while maintaining the integrity of the program.

It should be emphasized that the Commission has completed this report in the context of the existing program structures. Substantial changes in those structures -- such as authorizing less-than-half-time training under the chapter 106 program or authorization of benefits for flight training under chapter 30 -- are not reflected in the Commission's recommendations.

SUMMARY OF PROGRAMS

The following is a brief outline of the major programs of educational and vocational rehabilitation assistance administered by the Veterans' Administration. It is intended to assist in understanding the Commission's recommendations as well as to clarify the various titles and references for these programs used in this report and in other materials.

TITLE 38 PROGRAMS

CHAPTER 30 - ALL VOLUNTEER FORCE EDUCATIONAL ASSISTANCE
(The "Montgomery GI Bill"/The "New GI Bill")

A program of educational assistance for individuals who initially enter the service on or after July 1, 1985, who do not upon entering active duty decline to participate in the program. Under the program, an individual who attains a high-school degree or equivalency prior to leaving the service with an honorable discharge is entitled to basic educational assistance benefits (generally, $300 a month for 36 months for a total of $10,800) in exchange for completion of a 3-year period of active duty (or a 2-year period of active duty and a 4-year reserve commitment). The basic pay of participating servicemembers is reduced by $100 per month during the first 12 months of service. In addition, the service branches may offer recruits monthly benefit increases, known as "kickers", in order to enhance recruitments in critical skill areas and to encourage longer enlistments. The basic benefits are paid for and administered by the VA. The supplemental benefits are also administered by the VA but are funded by the individual service branches.

* * *

CHAPTER 31 - TRAINING AND REHABILITATION FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES
(The "Voc-Rehab" Program)

A program of assistance for service-connected disabled veterans with employment handicaps under which a subsistence allowance ($310 a month for a single veteran in full-time institutional training) and all costs associated with a course of vocational rehabilitation are paid.

* * *

CHAPTER 32 - POST-VIETNAM ERA VETERANS' EDUCATIONAL ASSISTANCE PROGRAM
(The "VEAP" Program)

A contributory-matching program of educational assistance for individuals who entered the service on or after January 1, 1977, and before July 1, 1985. Under the program, a servicemember may contribute up to $2,700 to an "education account". The servicemember's contribution is matched on a two-for-one basis by the Department of Defense for a total of $8,100 in educational assistance payable for up to 36 months. Benefits are generally paid based upon the rate at which contributions to the education account were made. Additionally, the individual service branches may provide "kickers" to enhance recruitment/retention, which the VA adds to the monthly entitlement paid.

* * *

CHAPTER 34 - VETERANS' EDUCATIONAL ASSISTANCE (The "Vietnam Era GI Bill"/The "Post-Korean Conflict GI Bill")

A program of educational assistance for individuals whose service was generally at least in part between February 1, 1955, and December 31, 1976. Up to 45 months of benefits ($376 a month for a single veteran for full-time institutional training with additional funds payable on behalf of dependents) are paid for the pursuit of an approved program of education. This program terminates on December 31, 1989.

* * *

CHAPTER 35 - SURVIVORS' AND DEPENDENTS' EDUCATIONAL ASSISTANCE

A program of educational assistance for the survivors of veterans who died of service-connected causes and the dependents of veterans who suffer from 100-percent disabling service-connected conditions which are permanent in nature. Up to 45 months of benefits are paid at the rates established under chapter 34 for a single veteran enrolled in similar training.

OTHER MAJOR PROGRAMS

CHAPTER 106 (Title 10) - EDUCATIONAL ASSISTANCE FOR MEMBERS OF THE SELECTED RESERVE

A program of assistance for individuals who on or after July 1, 1985, enlist, re-enlist, or extend an enlistment for a period of six years in the Selected Reserve. Under the program, an individual is entitled to educational benefits for the pursuit of a program of undergraduate education on a half-time or more basis. Benefits are paid at the rate of $140 a month for full-time training to a maximum of $5,040.

* * *

CHAPTER 107 (TITLE 10) - EDUCATIONAL ASSISTANCE FOR PERSONS ENLISTING FOR ACTIVE DUTY

* * *

EDUCATIONAL ASSISTANCE TEST PROGRAM
(Section 901 of Public Law 96-342)

A program of educational assistance for individuals who enlisted or re-enlisted after September 30, 1980, and before October 1, 1981, who are determined to be eligible by the Secretary of the military department involved. Under this program entitlement may be established for one standard academic year (nine months) of educational assistance for each year of enlistment (up to 36 months for four years of service). Individuals may receive payment for educational expenses (including tuition, fees, and books) incurred for instruction at an accredited institution up to a maximum of $1,560 per standard academic year. In addition, annually, up to nine months of subsistence allowance ($389 a month for full-time training) is payable to an individual enrolled in training. These benefit amounts are adjusted annually by regulation. An eligible individual who re-enlists may elect to receive a lump-sum payment of the value of the educational assistance and subsistence allowance or to transfer all or part of the entitlement to a spouse or dependent child.

* * *

NON-CONTRIBUTORY VEAP - EDUCATIONAL ASSISTANCE PILOT PROGRAM
(Section 903 of Public Law 96-342)

A program under which an individual enlisting or re-enlisting after September 30, 1980, and before October 1, 1981, may have contributions to a "VEAP" account (see discussion of chapter 32, above) paid for by the Secretary of Defense. Certain participants may also be permitted to transfer their entitlement to a spouse or a dependent child.

HISTORY OF THE PURPOSE OF VETERANS' EDUCATIONAL ASSISTANCE BENEFITS

The enactment of the Servicemen's Readjustment Act of 1944, better known as the original "GI Bill of Rights", was one of the most significant landmarks in the history of the United States. The educational benefits conferred by this legislation set the stage for changing the concept of higher education and for establishing a permanent program of educational assistance in exchange for military service. The purpose of the GI Bill was to help the veteran make a successful transition to civilian life and to make up for educational and other opportunities lost while in service. It afforded up to four years of higher education, with the government paying for living allowances as well as costs of tuition, books, and fees. This GI Bill was the precursor to all other veterans' educational assistance programs and laid the foundation for many of the laws and regulations in force today.

WORLD WAR II GI BILL

During World War II, many concerns were raised about the effect millions of returning GIs would have on an economy not only still recovering from the Depression but also reverting to peacetime from a wartime posture, and the manner in which reintegration of those individuals into the mainstream of American life could best be accomplished. In light of these concerns, and contemporaneous with the authorization of induction into service of 18- and 19-year old men, President Roosevelt appointed a committee of educators (the Osborn Committee) to make recommendations addressing potential problems and solutions. The Committee's preliminary report to the President in July 1943 included a recommendation for a federally-sponsored education and training program for World War II veterans. In transmitting this report to the Congress, the President's message of October 27, 1943, acknowledged the importance of educational and vocational assistance from the standpoint of the individual's readjustment problems and laid particular emphasis on the need to provide a wide range of educational and training opportunities for returning veterans:

> Vocational and educational opportunities for veterans should be of widest range. There will be those of limited education who now appreciate, perhaps for the first time, the importance of general education and who would welcome a year in school or college. There will be those who desire to learn a remunerative trade or to fit themselves more adequately for specialized work in agriculture or commerce. There will be others who want professional courses to prepare them for their lifework. Lack of money should not prevent any veteran of this war from equipping himself for the most useful employment for which his aptitudes and willingness qualify him. The money invested in this training and schooling program will reap rich dividends in higher productivity, more intelligent leadership, and greater human happiness.

Throughout the fall and winter of 1943 and the spring of 1944, Congress worked extensively on legislation to provide Federal government aid for the readjustment to civilian life of returning World War II veterans. As noted in the report of the House Committee on World War Veterans' Legislation (H. Report No. 1418, 78th Congress, 2nd Session), the bill ultimately reported by the Committee represented "the result of arduous study over an extended period of time. Hundreds of bills [had been] filed and numerous proposals were before the Committee dealing with the same general subject of post-war benefits for veterans of the present conflict."

The House Committee perceived the problem it confronted as three-fold:

> (1) To insure adequate administration of existing laws for the benefit of disabled veterans and the dependents of deceased veterans.
>
> (2) Supplementation of existing statutes to provide for readjustment into the civilian economy of veterans returning from service in the present war.
>
> (3) Concentration in one agency, namely the Veterans' Administration, of all responsibility for the administration of veterans' benefits as such.

The Committee noted that the problem of additional benefits for veterans in the post-war period was "a tremendous one" and one that had "been the subject of great controversy". Despite the controversy, the Committee noted that the objective sought was the same in any event, "namely, the reintegration of the discharged soldier, sailor, and marine into the civilian economy in the most prompt and adequate manner." According to the legislative history set forth in the Committee's report:

> [M]any plans were advocated, the general consensus appearing to be that, considering length and character of service, together with comparable sacrifices, the plan which would guarantee the most nearly uniform consideration would be an adjusted service pay. Thorough and painstaking exploration of this field, however, demonstrated that now is not the time to consider such a plan for there are too many unforeseeable factors which might have a direct bearing upon any such proposal. Furthermore, the tremendous expense of such a proposal weighed against its consideration.

The desire to devise some means of assistance providing more than a one-time "bonus" such as followed World War I was also reflected in the Senate Committee on Finance's report on companion legislation (S. Report 755, 78th Congress, 2nd Session). It noted that enactment of readjustment assistance legislation would "render unnecessary any consideration of adjusted compensation, and that the benefits provided ... will be of greater advantage to veterans, at a lesser expense to the Government, than could possibly be accomplished by an Adjusted Compensation Act."

As an overall statement of purpose and intent, the Senate Committee noted in its report:

> [T]he committee recognizes that this bill authorizes a program which will be costly to the Nation. Yet we view it as a true economy. None can deny that it is part of the bare bones necessary costs of the war. We regard it as the best money that can be spent for the future welfare of the Nation. The men and women who compose our armed forces and who will compose our armed forces before the end of the war not only now hold the destiny of this Republic firmly in their hands, they will so hold it for a generation to come. To the extent that these men and women can be speedily reintegrated into the civilian population the consummation of all our hopes and prayers for national security and advancement depend.
>
> If the trained and disciplined efficiency and valor of the men and women of our armed forces can be directed into proper channels, we shall have a better country to live in than the world has ever seen. If we should fail in that task, disaster and chaos are inevitable.

On June 22, 1944, the Servicemen's Readjustment Act of 1944 became Public Law 346, 78th Congress. Nearly a million veterans -- slightly more than half of those eligible -- received training under the original "World War II GI Bill" at a cost of about $14.5 billion.

KOREAN CONFLICT GI BILL

With the onset of the Korean conflict in 1950, the need for additional military manpower increased sharply. During fiscal year 1951, nearly 1.4

million new entries into the Armed Forces occurred. It became readily apparent that another large group of former military personnel would face readjustment problems following the conclusion of the hostilities.

There was a general consensus that a readjustment program patterned after the GI Bill of 1944 was an appropriate means of meeting the needs of all war veterans.

This assumption led to the enactment on July 16, 1952, of the Post-Korean Conflict Veteran's Readjustment Act of 1952, which put in place what became known as the Korean Conflict GI Bill. Once again, it was a recognition that military service would prevent many individuals from attending college and that this sacrifice merited compensation.

The educational assistance program enacted was significantly different from the World War II program. As noted in the report of the Senate Committee on Labor and Public Welfare with respect to legislation that established the subsequent "Cold War GI Bill" (S. Report No. 269, 89th Congress, 1st Session):

> Although a direct extension of the original GI Bill was an obvious and easy way to cope with this legislative problem, the Congress took advantage of the opportunity to reappraise and revise the education and training program so as to take into account recommendations and studies made of the earlier program by both the executive and legislative branches.
>
> The Veterans' Readjustment Assistance Act of 1952 which evolved out of this careful consideration, while preserving the best of the World War II program, contained many new provisions designed to simplify administration and to avoid the areas of abuses which had occurred under the earlier program.... There has been no impairment, however, of the

> program's basic purpose, namely, to assist Korean veterans in the readjustment process. [Emphasis added.]

Under the Korean Conflict GI Bill (Public Law 550, 82nd Congress), 2.4 million Americans received educational assistance benefits -- about 43 percent of those who were eligible -- at a cost of $4.5 billion.

VIETNAM ERA GI BILL

Following the conclusion of the Korean Conflict and throughout the "Cold War" period, pressure mounted for the enactment of another program of educational assistance for veterans. Hearings were held on the issue as early as the 85th Congress. However, it was not until 1966, during the 89th Congress, that enactment of legislation was realized.

The concerns of the late fifties and early sixties focused on continuing and increasing tensions in the world -- in Berlin, Cuba, the Dominican Republic, and Vietnam. Few concerns were expressed about the ability of a stronger economy to absorb returning servicemen and women, and there was a recognition that other forms of government loans and scholarships were available to Americans generally. Although considerable debate focused on the issue of compulsory military service, little consideration was given to the possible magnitude of growing hostilities in Southeast Asia. Major factors driving the legislative proposals by 1965 appear to have been the disruption of civilian pursuits by a period of compulsory service in the military, the inequities of the selective service system, and the advances of technology. As noted by the Senate Committee on Labor and Public Welfare:

> No person, no matter how ambitious, industrious, or talented he may be, can progress at a normal rate in our rapidly expanding economy when a series of threats to world peace calls him away to military duty for long period of time....
>
> Our post-Korean veterans are beset with problems almost identical to those to which the two previous GI Bills were addressed. Like their fathers and elder brothers, post-Korean veterans lose time from their competitive civil lives directly because of military service. As a consequence, they lose valuable opportunities ranging from educational advantages to worthwhile job possibilities and potentially profitable business ventures. In addition, after completion of their military service they confront serious difficulties during the transition to civil life. Moreover, since under today's conditions only a minority of the draft-age group actually serves a substantial period of active duty, the post-Korean veteran suffers in some respects relatively more disadvantages than did his World War II and Korean predecessors.

The Committee noted that its recommended "Cold War" readjustment assistance was patterned after the prior two GI Bills which had differed from pre-World War II veterans' programs in four important ways:

> (1) It is recognized that all veterans -- the able-bodied as well as the disabled -- encounter special problems in reentering civil life because of the interruption of their normal lives by military service, and further recognized that there was a governmental obligation to assist in meeting such problems.
>
> (2) It recognized also the wisdom of providing help to veterans at the time when aid was needed most -- immediately after service -- instead of providing bonus and pension benefits later in life.
>
> (3) Unlike the traditional program of the "bonus" type, the amount of assistance provided was related to individual needs. In addition, the assistance was made available in a variety of forms in order to provide opportunity for the veteran to choose which benefits to use and the extent thereof.
>
> (4) The most important readjustment benefits were not intended merely as cash income but provided constructive aid (such as education and training assistance and home loan assistance), which would permanently improve the veterans' economic status in terms of income, job prospects, and homeownership.

The Veterans Readjustment Benefits Act of 1966 (Public Law 358, 89th Congress) was enacted on March 3, 1966. Under this program, which began essentially as a somewhat scaled-down extension of the Korean Conflict GI Bill, more than 9 million Vietnam-era veterans -- fully 70 percent of those eligible have received training and education at a cost of more than $38 million.

POST-VIETNAM GI BILL (VEAP)

With the close of the Vietnam Era in the mid-seventies, a significant change in the philosophy behind educational assistance benefits occurred. The end of the draft was coupled with an increasing lack of enthusiasm and respect for military service. Additionally, concerns about budgetary expenditures were rising.

In this context, Congress recommended the enactment of a $2-for-$1 contributory-matching program of educational assistance to veterans as an attempt "to achieve a reasonable balance between those who would prospectively terminate *GI Bill* benefits and those who would allow the current program to continue without alteration", as well as "to balance legitimate concerns about budgetary expenditures with the many advantages our Nation receives from GI Bill expenditures."

As the Senate Committee on Veterans' Affairs noted in its report on the authorizing legislation (S. Rept. No. 94-1243 to accompany S. 969):

> The GI Bill, and the postservice educational opportunities provided by the program, has become an integral part of American life....
>
> It is apparent to the Committee that the Nation needs to provide some form of readjustment assistance for those who serve and those who will serve in the Armed Forces....
>
> The purpose of the GI Bill is to continue to provide benefits for those under the all-volunteer army serving on active duty in order to aid them in adjusting to civilian life. As long as there is a need for active-duty personnel there is a need for readjustment benefits.

In addition to reiterating the value of educational benefits as a readjustment tool, the program (which would become known as "VEAP") first recognized the value of these benefits as a means of "enhancing and making more attractive service in the Armed Forces" and set forth this finding in its statement of purpose. The Committee noted its belief that "terminating the GI Bill, without providing an alternative, postservice educational benefits program, would impair the military's ability to attract sufficient numbers of quality recruits."

Finally, the Committee noted that another important factor contributing to the provision of an alternative to outright termination of the Vietnam Era GI Bill was:

> ....[the] desire to continue to assist deserving young men and women in obtaining an education they might not otherwise be able to afford. The Committee is of the opinion that service in the Armed Forces should be a function supported by young people from all segments of the society. Widespread citizen participation in the Armed Forces is inherently a societal good and those who perform the task should be assisted particularly in their readjustment to civilian careers. Termination of the current GI Bill, without providing a suitable alternative, ... would impede the upward mobility of our Nation's minorities and disadvantaged.

On October 15, 1976, the Chapter 32 VEAP program (the Post-Vietnam Era Veterans' Educational Assistance Program) was enacted as title IV of Public Law 94-502. Under this authority, 142,056 Americans -- about 20 percent of those eligible -- have received education benefits through fiscal year 1987, at a cost of $475 million.

MONTGOMERY GI BILL

In the years following the establishment of the VEAP program, experience with the program proved mixed. Individuals' contributions to VEAP accounts were generally low, and, upon leaving service, the rate of participation in education and training programs also was poor. These factors, combined with dismal recruiting and retention performance by the Armed Forces throughout the late seventies and early eighties, contributed to mounting pressure for an improved program of educational assistance benefits for the All-Volunteer Force.

Two "test programs" (sections 901 and 903 of Public Law 96-342) were enacted but both were limited in size and scope and neither proved to satisfy the identified needs.

Thus, in 1984, the Congress proposed a more expanded, services-wide three-year test of a program of educational assistance benefits "designed to attract and retain high quality young men and women in both the active and reserve forces by offering them financial assistance for obtaining a college education." While the military's recruiting and retention efforts had improved, the Congress noted:

> ...[T]he ... recruiting and retention success may not continue if the national economy continues to improve or if one of a number of other factors currently favorable to recruiting and retention changes adversely. The demographics of the youth population are especially troublesome. As the number of 18 and 19 year olds declines over the remainder of the decade, the competition from colleges and universities and from private industry for the shrinking pool of high quality young people will intensify. At the same time, the services will require an increasing number of high quality personnel to operate and maintain the sophisticated weapon systems coming on line in the late 1980's and 1990's....
>
> The Committee believes that an educational assistance program will help prevent the recurrence of recruiting problems and will assist in attracting high-quality personnel into the active and reserve forces.... (H. Rept. No. 98-691 to accompany H.R. 5167)

As enacted, the New GI Bill (which was subsequently made permanent and renamed the "Montgomery GI Bill" by Public Law 100-48) continued the concept of requiring participants to make a financial commitment to the program. A reduction of $100 a month for 12 months was to be made in the military pay of individuals who chose to participate in the program. The new program set forth as its purposes not only "to provide a new educational assistance program to assist in the readjustment of members of the Armed Forces to civilian life after their separation from military service," but also to promote and assist recruitment and retention efforts by the All-Volunteer Force.

In 1987, three additions were made to the declared purposes of the Montgomery GI Bill by section 5 of Public Law 100-48. First, it recognized that the GI Bill puts higher education and training within the grasp of many who would not otherwise be able to afford it. The Senate Veterans' Affairs Committee noted in its report (S. Rept. No. 100-13 to accompany S. 12) that "[t]he New GI Bill, as with past GI Bills, provides veterans who return to civilian life ... 'earned' opportunities to catch up with their non-veteran peers -- and to gain the skills and training needed to compete in the civilian job market."

The second purpose clause added by Public Law 100-48 was "to provide for vocational readjustment and restore lost educational opportunities...." In this connection, the Senate Committee noted its belief that this goal "is an absolutely essential purpose of the New GI Bill." This is especially important, according to the Senate Report, since peace-time military skills, especially those related to combat arms specialties, "frequently are not enough to make [All-Volunteer Force service personnel] competitive in related fields in our increasingly technological society."

Finally, the purpose clauses were amended to reflect the extent to which the New GI Bill is designed "to enhance our Nation's competitiveness through the development of a more highly educated and productive work force." Noting that "[t]he challenge to American economic world leadership has never been greater," the Senate Committee noted its belief that "[t]he more Americans who desire the opportunity for a higher education and are given encouragement and access to pursue it, the more effective will be America's response to the global challenge." The Committee's report declared:

> The members and veterans of, and Reservists in, the All-Volunteer Force who could be trained through the resources of the New GI Bill can make or break our competitive effort. They represent an enormous potential for consolidating or

> achieving world leadership in science, engineering, mathematics, business management, and the full range of the arts and humanities. We cannot afford to have them undereducated, underskilled, and underemployed.

THE GI BILL'S UNIQUE FOCUS

In June 1978, the VA asked the National Academy of Public Administration to conduct the factual and analytic portions of a study mandated by Public Law 95-202 relating to improving the process by which institutions and courses are approved for veterans' educational benefits. That report, known as the "Orlans' Report" and submitted to the House and the Senate Veterans' Affairs Committees on October 17, 1979, noted:

> ...[T]he general statement of the statutory purposes tells only half the story, since the statute and regulations specify that these purposes are to be achieved by the pursuit (defined by the dictionary as "the act of striving") of a predetermined occupational, professional or educational objective. (Page 499)

From its inception, the GI Bill has required the veteran to make satisfactory progress. The original legislation of 1944 did not require veterans to state an educational goal, but it did require satisfactory conduct and progress as a requirement for benefit payment. The program, which presumed each State would simply publish a list of approved institutions, left the determination of satisfactory progress in the hands of those institutions.

The long march away from blanket institutional approval to a course approval concept began as early as 1946. In the history of amendments often prompted by the uncovering of a scandal, the Teague Committee's impact remains seminal. Building on Congressman Teague's findings the Korean GI Bill ended tuition payments to institutions in favor of a single monthly payment to the veteran; mandated enrollment in a program enabling a veteran to reach "a predetermined and identified educational, professional, or vocational objective"; set new standards, mainly for proprietary schools, for determining standards of progress and attendance; and required States to furnish a list of approved courses, rather than just approved schools.

After a period of relative calm, overpayment abuses in the early 1970's laid the groundwork for the enactment of Public Law 94-502, the GI Bill Improvements Act of 1976. As noted in the Orlans' study, this legislation stressed that:

> VA education benefits were "specially predicated upon serious pursuit of educational or vocational objectives by veterans and are not intended as a gratuitous income supplement program." Congress (1) defined "unsatisfactory progress" to include cases in which a veteran was not progressing at a rate which would enable him to graduate within a normal period of time anticipated for the completion of his studies; (2) required schools to establish and enforce more specific standards of progress and graduation for veterans and to include these standards in a certified bulletin or catalog; and (3) prohibited benefits for courses which are audited or for which nonpunitive grades are received, except in mitigating circumstances. (Page 33)

As several reports have indicated, a tangled web of regulations addressing progress and objective has been woven and rewoven over the past 40 years. These standards are central to the task of this Commission. Nevertheless, the Orlans' report conclusion on this point remains relevant today:

> So long as GI Bill benefits are tied to the pursuit of a designated vocational educational objective, some system of course or program approval will be necessary. A system of school or institutional approval (such as that of the 1944 GI Bill or current OE programs) can be employed only if GI Bill benefits are broadened to become a general educational entitlement. (Page xxxv)

The Commission has found no consensus for a radical revision of the current system. Reliance on accreditation and State licensure and the exclusion of the State approving agencies are deemed legislatively infeasible. No sentiment exists for elimination of approval of programs specifically for purposes of the GI Bill at this time. Concerns were raised about the cost-benefits ratio of the large, separate and diverse approval process, given the number of anticipated trainees, as were the potential advantages of a simpler Department of Education type approval. However, as long as Congressional intent remains unchanged, the current system with inevitable complexity remains a given. The Commission's recommendations seek reasonable simplification and improvement within that framework.

MONTGOMERY GI BILL STUDENT

Veterans, active-duty personnel, reservists, and eligible dependents enrolled in training under one of several VA educational assistance programs in the Fall of 1988 are expected to number more than 520,000 -- up 18 percent from 442,000 two years ago. Accounting for most of this growth is the popularity of the new Montgomery GI Bill.

As shown in Table 1, drawn from data provided by Robert Ketels, Chief of the VA's Operations Staff for Vocational Rehabilitation and Education, the number of VA education beneficiaries will remain in the half-million range well into the nineties. A brief exception will be a reduction of 75,000 students in 1990-91 when the Chapter 34 Vietnam Era GI Bill will have ended.

The 1988 influx of veterans may seem small by the standards of the forties and seventies -- when more than two million enrolled in training following World War II, and a record-setting 4.9 million attended schools under the Vietnam Era GI Bill. Nevertheless, today's veterans number almost half as many as the 1.2 million in training following the Korean War. They represent four percent of the total college-student population, although at some institutions they comprise nearly 30 percent of the student enrollment. The new veteran-students are noteworthy for more than their growing numbers: they have enrolled under legislation that had changed markedly from that which benefited their predecessors.

Most of the new arrivals are Chapter 106 reservists, who must serve in the Selected Reserve or the National Guard while receiving their education benefits. Their numbers will grow rapidly to more than 223,000 by 1990.

Over time, the larger program will be the Chapter 30 Montgomery GI Bill veterans. These veterans will exceed 224,000 by 1994. Their numbers on campus are low right now because few participants have served the requisite years to be eligible.

Unlike earlier VA beneficiaries, the Montgomery GI Bill veteran has made an nonrefundable investment and has a strong financial interest in higher education. It is anticipated that he or she (12 percent are women) will be a very serious student.

Based on past experience and projections, almost three-quarters of the Montgomery GI Bill students are apt to pursue education at the college level. The remainder will seek vocational, technical, OJT or other apprenticeship training.

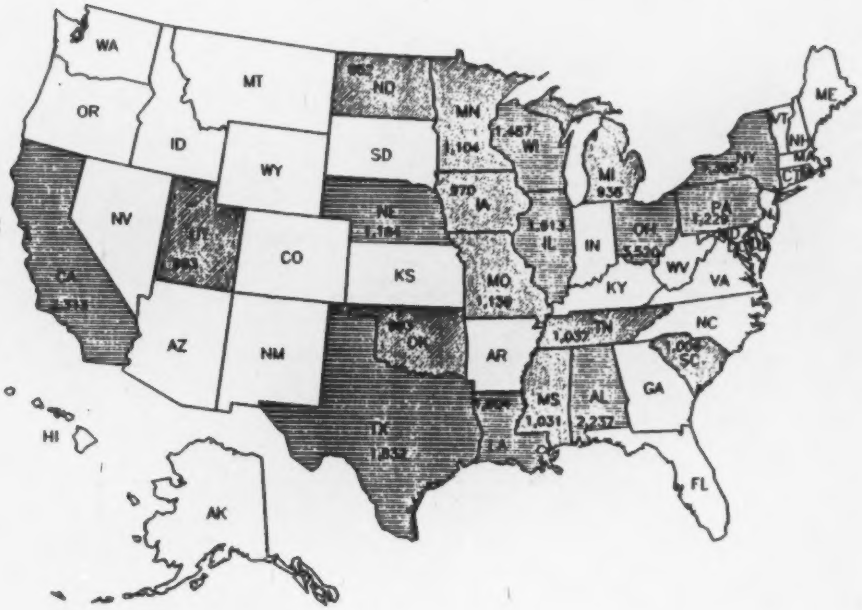
During the first year of the program, the 1986-87 academic year, Montgomery GI Bill reservists were most prominent in the Midwest (Ohio, Illinois, and Wisconsin) and in the South (Alabama, Texas, and Louisiana). Map 1 illustrates where most of the Montgomery GI Bill reservists are now in training.

Data as of August 12, 1988

PROGRAM	SERVICE DURING PERIOD OF:	DELIMITING DATE, BASIC ENDING DATE	TERMINATION OF PROGRAM	ACTUAL 1987	1988	1989	1990	PROJECTED TRAINEES FOR FYs 1991	1992	1993	1994
Ch. 31	9/16/40-	12 years from date of discharge or release from active duty	None	24,599	24,100	23,600	23,000	23,500	23,600	23,200	23,000
Ch. 34	2/1/55-12/31/76	10 yrs from date of discharge	12/31/89	218,798	194,800	157,300	88,600	0	0	0	0
Ch. 35	-	26th birthday (child), 10 yrs from basic beginning date (spouse)	None	48,695	45,300	41,900	38,000	36,000	33,400	31,100	28,900
Ch. 32	1/1/77-6/30/85	10 yrs from date of discharge	None	76,772	90,000	88,000	80,200	71,400	62,400	53,800	45,600
Sec. 901*	12/1/80-9/30/81	10 yrs from date of discharge	**	650	650	600	550	500	450	300	200
Sec. 903	12/1/80-9/30/81	10 yrs from date of discharge	**	There are no trainees or projections available for Section 903. They are included in the Chapter 32 figures.							
Ch. 30	7/1/85-	10 yrs from date of discharge	**	130***	9,800	25,000	82,500	119,100	157,500	193,300	224,300
Ch. 106	7/1/85-	10 yrs from date eligibility began on date of separation from Reserve	**	52,459	138,200	185,300	213,500	223,900	174,900	181,000	181,000
Hostage Relief Act	11/4/79-1/20/81	1/21/91	1/21/91	2	0	0	0	0	0	0	0
Omnibus Diplomatic Security and Antiterrorism Act	1/21/81-	10 yrs from date of release from captivity	None								
TOTALS				442,103	502,850	522,500	527,150	474,400	452,250	483,500	583,000

* For the Section 901 test program, entitlement may be transferred to the veteran's spouse and/or dependent(s).
** Payments continue to those having eligibility until their delimiting date or the exhaustion of their entitlement.
*** Number of Chapter 30 trainees who received benefits during the fiscal year.

RESERVISTS IN TRAINING DURING FISCAL YEAR 1987


WA
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IL
1,613
MI
938
IN
KY
TN
1,037
MS
1,031
AL
2,237
OH
3,530
WV
VA
NC
SC
1,006
GA
FL
PA
1,229
NY
VT
NH
MA
CT
ME
MD
NJ
AK
HI

TOP 20 STATES

▤ STATES 1 - 10
▨ STATES 11 - 20
☐ OTHERS

Map 1 7/87

Like their predecessors, the new GI Bill students will be older than the average freshman and sophomore -- though probably not older than the majority of college students in the early 1990s. A recent survey by the College Board has found that students over the age of 25 already are a large presence on campus, comprising 45 percent of enrollments.

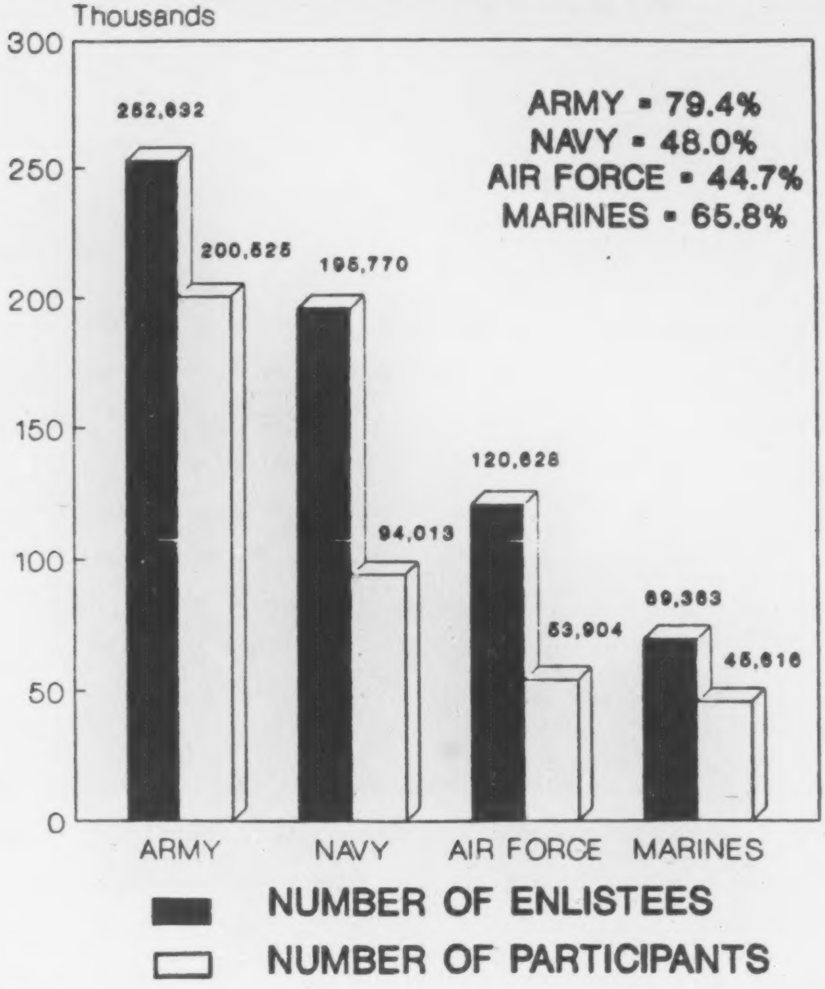
Census figures predict another change in demographics, the declining number of 18-year-olds between now and 1995 -- a fact likely to affect military recruitment. Some specialists say that as the pool of youths get smaller, the Armed Forces will be drawing from an older population, which could push the GI Bill student's age even somewhat higher.

More significant to colleges and recruiters alike, recent studies of recruitment show that the Montgomery GI Bill is attracting higher quality men and women in terms of education and test scores on the Armed Forces Qualification Test. One study, described in the Congressional Record of May 4, 1988, by House Veterans' Affairs Committee Chairman G.V. "Sonny" Montgomery, found that 66 percent of the upper test-scoring Army recruits said they considered money for college a major factor in their decision to enlist. Air Force Lieutenant General Thomas A. Hickey likewise has reported that the Montgomery GI Bill is "the number one reason given for joining the Air Force Reserve."

Program participation rates by service appear in Chart 1. The rates vary from 79 percent of the Army's enlistees to 45 percent of the Air Force enlistees. The most recently available figures, not included in Chart 1,

Chart 1

MONTGOMERY G.I. BILL
Participation Rates
(July 1, 1985 - September 30, 1987)



Source: Veterans Administration, April 1988.

are those for May 1988. The rates are impressive: Army, 91.9 percent; Navy, 72.1 percent; Air Force, 75.7 percent; Marine Corps, 74 percent; and DOD-wide, 80.4 percent. The high Army participation rate reflects the Army's success in using the new Montgomery GI Bill as a recruiting device, as the law intended.

Available figures from the Department of Defense and the VA do not indicate what percentage of Montgomery GI Bill participants are minorities. Minority enrollment in both two-year and four-year colleges peaked in the late 1970s and has since declined about ten percent. It is the expressed hope of Congress that GI Bill benefits will offer minority youths and others who might not be able to afford tuition wider opportunities for college -- a goal that should help to reverse the declining trend in minority enrollment.

It is anticipated that many Montgomery GI Bill students will be attending schools on a part-time basis. These new students are apt to have more commitments than the younger students -- a family, a full-time job, or both -- and will be less inclined to be joiners of student government, social activities, and fraternal organizations. Even many veterans attending college full-time also work full-time. A 1983 study by the VA's Dr. Robert E. Klein found that:

> A major difference between veterans and nonveterans is the proportion of full-time college students among them who are

> working full-time: more than 26 percent of veterans and only about 10 percent of nonveterans.[1]

Colleges may soon find that they need more married-student housing, day-care facilities, and career-counseling capabilities. Administrators say that many older students seek counseling and that prospective employers also may need help in interviewing graduates who are 25-years-old or older. Academic majors most popular with students in 1987 were: business, engineering, education, biological sciences, and systems analysis.

No doubt educators will gladly meet the needs of the new student veteran. Counselors report that the older student is likely to be a hard worker, who views both education and employment with a seriousness not always found among younger students.[2]

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[1] School Enrollment Among Male Veterans and Nonveterans 20 to 34 Years Old, October 1983, by Robert E. Klein, Ph.D., Statistician, Office of Information Management and Statistics, Statistical Review and Analysis Division, Veterans Administration, Washington, DC, September 1985, p. iv.

[2] "Students Over 25 Found to Make Up 45 Percent of Campus Enrollments," by Michael W. Hirschorn, Miami, The Chronicle of Higher Education, March 30, 1988.

EDUCATION IN THE NINETIES

The Montgomery GI Bill student will enter an educational world of greater flexibility than his predecessors, a place where already a majority of his cohorts are melding the once separate worlds of work and study. According to the Higher Education and Adult Learning Division of the U.S. Department of Education:

> In 1973, the proportions of working students in two-year colleges, four-year colleges, and vocational-technical schools were 58 percent, 30 percent, and 47 percent, respectively. By 1981, these proportions had increased to 64 percent, 48 percent, and 53 percent. The percentage of working students in four-year colleges increased by over 50 percent.

Between 1940 and 1984, the percentage of part-time students in higher education increased from 32 to 42 percent. In 1983, fully 64 percent of the students in public two-year colleges were attending part-time. Most striking is the finding that for all public postsecondary institutions, only 55 percent of the students were attending full-time. According to the Department:

> While these trends could have resulted from changes in the labor market, many other factors may have also contributed to these changes, e.g. higher tuition and cost of attending college. The increasing flexibility of class schedules in institutions of higher education may also have been a factor. Today almost all colleges and universities offer evening and weekend classes, thus allowing fulltime workers to use their non-work time for study. [emphasis added][1]

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[1] Stacey, Alsalam, Gilmore, & LeTo, Education and Training of 16- to 19-Year Olds After Compulsory Schooling in the United States, Higher Education and Adult Learning Division, Office of Educational Research and Improvement, U.S. Department of Education, April 1988.

During the 1985 hearings on the Reorganization of the Higher Education Act, Linda Tarr-Whelan of the National Education Association testified that, between 1972 and 1982, part-time student enrollments in postsecondary education increased by 65 percent to 41 percent of total enrollment, or over 5 million students -- a trend she expects to continue through the end of the century.[2] The Center for Education Statistics predicts full-time enrollment will decline by 10 percent over the next decade. The Montgomery GI Bill student will also enter an educational world that will be increasingly attractive to older and less traditional learners.

According to Dr. Charles Cowan, Chief Mathematical Statistician at the Center for Education, a distinct profile of higher education through the 1990's has emerged. The Center's studies project an increasing number of college students in the over-35 age group and a decline in the number of students in the 18-24 age group. Students in the 25-35 age group are expected to increase, then decline in the 1990's; those from 35-44 are expected to continue to increase through the year 2000.[3]

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[2] Reauthorization of the Higher Education Act, Hearings, Subcommittee on Postsecondary Education of the Committee on Education and Labor, House of Representatives, 99th Congress, 1st Session, July 9, 10, 1985, p. 21.

[3] See minutes of the Commission to Assess Veterans' Education Policy, July 30, 1987, p. 5.

Adult education, defined by the Department of Education as any course or educational activity taken part-time and reported as adult education by respondents 17 years and older, is on the rise. Between May 1983 and May 1984, over 43 million adult education courses were taken.[4] The three most popular fields were business, engineering, and health care, with most courses taken at two-year colleges (17 percent and four year-colleges and universities (17 percent.) Not surprising, almost two-thirds of the courses were taken for job-related reasons.

The average age of the community college student is already 36 and climbing.[5] The House Education and Labor Committee's report on the Higher Education Amendments of 1985 noted the rise in non-traditional students:

> The worker changing careers -- the displaced homemaker -- the veteran and the adult seeking education enrichment and career advancement -- are already the majority in attendance at community colleges, and they are rapidly becoming the new majority in all of postsecondary education....[6]

Congressman Steve Gunderson (R-Wis.) in testimony before the House Subcommittee on Postsecondary Education noted that enrollment for all students between 1973 and 1983 was up 28 percent, but enrollment for older students in higher education was up 70 percent with recent studies indicating adult learners may comprise nearly 56 percent of the student body by 1991. The Center for Education Statistics reports that the non-traditional student population will increase by 25 percent between 1979 and 1990.[7]

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[4] Bulletin OERI, U.S. Department of Education, Office of Educational Research and Improvement, No. CS86-308B, October 1986.

[5] Reauthorization of the Higher Education Act, Hearings, p. 156.

[6] Higher Education Amendments of 1985, Report of the House Committee on Education and Labor, 99th Congress, 1st Session, Report 99-383, p. 7.

This new population is forcing major changes in college life. Day care is an issue, as is flexible course scheduling to accommodate full-time jobs.[8]

The veteran enters a postsecondary education system unparalleled in its diversity and range of choice. According to the Higher Education and Adult Learning Division of the Department of Education:

> Today ... a 17-year old can take an accounting course at a 4-year college, at a community college, at a proprietary school, through a correspondence school, at a neighborhood learning center, in a factory, or through a professional association such as the American Bankers Association. The course descriptions may sound similar, but the content and quality may differ a great deal. This growth in the number and types of providers of postcompulsory education has caused some critics of the system to call it a "non-system".[9]

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[7] Reauthorization of the Higher Education Act, Hearings, Subcommittee on Postsecondary Education of the Committee on Education and Labor, House of Representatives, 99th Congress, 1st Session, July 31 and September 5, 1985, p. 102.

[8] See "The Graying of the Campus," Newsweek, June 6, 1988, p. 56.

[9] Stacey, Alsalam, Gilmore & LeTo, Education and Training of 16- to 19-Year Olds After Compulsory Schooling in the United States, Higher Education and Adult Learning Division, Office of Educational Research and Improvement, U.S. Department of Education, April 1988, pp. 1-2.

The universe of providers is vast. A major share of postsecondary education in the United States is provided by public and independent colleges that award associate degrees after two years of full-time study. Nearly five million students are served by about 1,200 community colleges. In addition, 9,300 institutions offer programs in vocational and technical areas. Of these career schools, private-for-profits constitute about 77 percent, and their 1982 enrollment totalled nearly 1.6 million students.

An additional five million Americans are enrolled in accredited home-study courses, and a growing array of educational opportunities are being offered or sponsored by American business.[10]

Non-traditional delivery modes are increasing within this diverse system. Today, an estimated 500,000 American students are earning college credit from a variety of electronic universities. Development of affordable computers, VCR's, and improved quality programming have encouraged older highly-motivated students to tune in to a variety of college offerings. While still controversial and far from an established part of the traditional education milieu, electronic learning is reaching an estimated 200,000 to 300,000 students with courses offered by community colleges. For example, Electronic University Network in San Francisco now offers courses from 16 colleges.

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[10] Ibid. pp. 5-11.

Newton Minow, former Federal Communications Commission Chairman, predicts within five years "millions of people will be learning by TV."[11] One pioneering institution, National Technological University, a consortium of 24 engineering schools, has no campus. It transmits graduate courses via satellite to 100 industrial sites. Citing diversity and the number of courses the consortium offers, Charles Miller, Manager of Video Instruction and Learning Resources at Eastman Kodak says, "We see this as the way of the future for graduate education."[12]

The Public Broadcasting System, with encouragement from the Annenberg Foundation, has become a leader in the field -- airing mainly introductory undergraduate courses from 370 stations to over 200,000 students.

Cost is a major factor in educational choices facing postsecondary students. According to Kenneth C. Green, Associate Director of the UCLA Higher Education Research Institute:

> As tuition costs have outstripped family income, we're seeing a great deal of "buying down." Students who would have gone to private institutions are going to public ones. Students who would have gone full time are going part time. Students who would have gone to four-year colleges are going to

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[11] See "Long Distance Learning Gets an 'A' at Last," Business Week, May 9, 1988, pp. 108-110.

[12] "A Space Age University Without Campus or Faculty Offers LTS TV Courses Nationwide via Satellite," The Chronicle of Higher Education, July 15, 1987, p. 16.

> two-year colleges. And more students from poor homes go to vocational schools instead of colleges.[13]

A College Board study found that as recently as 1980 four years at a private university averaged about $34,000 or 118 percent of the median family income. By 1985, the cost had increased to over $45,000 or 157 percent of current median income.[14]

The Center for Education Statistics also documents significant increases in higher education expenditures with a rise of charges at public colleges of 118 percent between 1975-76 and 1985-86, and 142 percent at private colleges.[15]

Nevertheless, higher education remains a good investment. American Demographics reports households headed by college graduates had median incomes of $37,500 in 1985, 54 percent greater than those headed by high school graduates.[16] It should be no surprise that the Montgomery GI Bill has been a successful recruiting device in the face of all of these trends.

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[13] Robert Kuttner, "The Patrimony Society," The New Republic, Issue 3, 773, May 11, 1987, p. 18.

[14] Ibid. p. 19.

[15] Digest of Education Statistics, 1987. Center for Education Statistics, Office of Educational Research and Improvement, U.S. Department of Education, May 1987, p. 117.

[16] Business Week, May 25, 1987, p. 24.

As is well recognized, tomorrow's worker will need more education just to keep pace. At a conference held in Maine for leaders of postsecondary education communities, Brig. General Robert Dilworth of the U.S. Army Total Army Personnel Agency noted:

> Today it takes an average of 12.8 years of schooling to get hired. That will grow to 13.5 years by the year 2000 based on a study by the Hudson Institute released earlier this year. To put it another way, 22 percent of the current jobs require four or more years of college. By the turn of the century it will be 30 percent. By then, only 35 percent of the jobs will be open to high school students.[17]

Facing a national realization of the need for higher level education and retraining over the lifetime of the American worker, and a myriad of educational offerings and providers, how will the veteran choose to use the Montgomery GI Bill benefits. History offers some guidance. According to the VA, post-Vietnam trainees under chapter 32 are using education benefits at a rate of 42 percent for four-year schools, and 42 percent at two-year colleges, and only 11 percent at vocational-technical schools.

It is anticipated that participation under the Montgomery GI Bill in two-year schools will at least equal and most likely exceed that percentage. Two-year community colleges are firmly entrenched as an alternative to four-year schools. The 1987 Carnegie Classification of

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[17] Keynote Address at the Maine Conference on Educational Achievement, for the leaders of Maine's postsecondary education communities, December 9, 1987, pp. 20-21.

Higher Education indicates the greatest growth in enrollment since 1976 in higher education in general has been in two-year colleges, rising from 27.5 percent to 36.7 percent. Two-year institutions now comprise 40.4 percent of total institutions of higher education.

Cost, improved articulation agreements that facilitate transfers between two- and four-year institutions, and increasing industry acceptance of associate degrees are some of the factors identified as driving this growth.[18]

Whatever educational choice the veteran makes, however, the climate of higher education will be ever more directed to satisfying diverse adult learner needs.

The Maine Conference concluded:

> ...[t]he military services recognize -- as do institutions, that the 18-24 year old population is shrinking and that their educational assistance programs must be geared toward students who will be approaching the continuation of their education through non-traditional modes. The military services now estimate that 45 percent of all enrollments are part-time.[19]

A 1988 study by the Higher Education and Adult Learning Division of the Department of Education offers a good summary of the choices and opportunities awaiting the Montgomery GI Bill student in the world of higher education:

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[18] "A Course toward a Better Image," Insight, September 7, 1987, p. 50.

[19] Background information, the Maine Conference on Educational Achievement, December 1987, p. 16.

- Leaving school prior to graduation is no longer a "terminal" act; the door is open in a variety of ways to anyone who wants to return for further education and training.
- There has been an increase in the number of courses offered by non-traditional institutions, and more of the available courses appear to be career related.
- Combining work and study, either simultaneously or alternatively, is becoming more common.
- The private sector, rather than the public sector, has become the dominant provider of training at the postcompulsory level.
- Concern with economic outcomes has become an important factor in the decision-making process of young adults in their choice of further education and training.[20]

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[20] Education and Training of 16- to 19- Year Olds After Compulsory Schooling in the United States. Conclusion.

DISCUSSION OF RECOMMENDATIONS

BENEFIT-DELIVERY SYSTEM STRUCTURE

ISSUE: Structure of the benefit-delivery system in the various regional offices.

BACKGROUND: For the purpose of education benefits, the VA has been organized into 58 regional offices and the central office in Washington, DC. In each regional office, there are a number of individuals and divisions that retain responsibility for the administration of education benefits:

- Education Liaison Representatives (ELR's)
- Compliance Survey Specialists
- Adjudicators
- Finance Analysts/Clerks
- Veterans' Benefits Counselors (VBC's) including work-study coordinators and veterans' outreach counselors
- Vocational Rehabilitation & Counseling Service Staff (Chapter 31)

Each regional office retains responsibility for the administration of certain GI Bill benefits within its area of jurisdiction. In small regional offices, the ELR may also serve as the compliance survey specialist. In large regional offices, the ELR may have several assistants and there may be a number of compliance survey specialists. In all but one regional office, those responsible for adjudication of education benefit claims are also responsible for the adjudication of other benefit claims, including all compensation and pension claims. Likewise, VBC's have responsibility to provide assistance and information to veterans in all areas. VA counseling for veterans and other enrolled in education or training, when requested or required, is provided through the chapter 31 counseling program.

None of this structure is replicated at the central office level. There, within the Department of Veterans' Benefits (DVB), the Deputy Chief Benefits Director for Field Operations has direct line authority for all field operations of the 58 regional offices. Program policy is set by the services through the Deputy Chief Benefits Director for Program Management. The Vocational Rehabilitation and Education Service does not have a separate identifiable division in the field handling education.

At this time, with respect to the new Montgomery GI Bill program, the VA has centralized the administration of these benefits through one "processing center" in the St. Louis, Missouri, Regional Office. All claims for chapter 30 benefits are sent to this center, processed, adjudicated, and authorized. In conjunction with this centralized approach, the VA is testing an optical disk computer system, as well as the monthly self-certification process discussed elsewhere in this report. Section 901 benefits are handled by the Waco, Texas, VA Regional Office, and claims under the Hostage Relief Act by the Baltimore, Maryland, Regional Office.

The Commission understands that the VA's decision to process all chapter 30 claims out of one regional office is not a part of the St. Louis "test". Currently, the VA does not plan to administer chapter 30 benefits through each of the 58 regional offices.

Given this decision by the VA, the Commission sees little merit in retaining responsibilities for all other education programs in each of the 58 regional offices. In 1988, it is estimated that only 2 percent of those in training are training under chapter 30. By 1994, according to the VA's data, more than 45 percent of the education workload will be chapter 30 trainees. Handling this large group through one consolidated system and all of the others through 58 offices makes no sense. It can only contribute to confusion, duplication, unnecessary delays, and other problems making administration of these benefit programs more difficult.

RECOMMENDATION:

- Adopt in the long run a consolidated-region approach to the processing of all education programs (to include adjudication and processing of all benefits and approval and compliance functions) to be located in a handful of large regions and retaining only an "education ombudsman" capacity (having direct-line responsibility flowing through the education program) in each of the 58 regional offices. Ombudsman pay and grade level should be commensurate with the responsibility to maintain liaison with institutions, students, reserve units, and others, and to undertake problem solving and trouble shooting as required.

A consolidated-region approach would help resolve a large number of the problems identified by institutions responding to the Commission's surveys, including a lack of consistency in decisions by various adjudicators within one regional office as well as between regional offices. With fewer core adjudication units staffed by well-trained adjudicators responsible solely for education benefits, decisions made on benefit claims would be more consistent. A decision on a request for a change of program for a veteran in Wyoming would be more likely to be consistent with the decision made in the case of a veteran in Alabama. The records of a veteran enrolled at Syracuse University who transfers to Columbia University would not run the risk of being lost between the VA's Buffalo and New York City Regional Offices. The ordinary delays of transmitting files would be eliminated. Problem and issue identification would be more easily achieved under a regionalized system.

Consolidated-region responsibility would also enable all those involved in the administration of the programs to develop a level of expertise sufficient to deal with the very complex nature of the separate education programs. The difficulties inherent in a system where 58 regional offices retain responsibilities for some programs, while the bulk of the education caseload is centrally handled elsewhere, are obvious.

The efficient and effective use of resources would also be enhanced by a consolidated-region approach. By 1994, when the number of trainees for which the 58 regional offices are responsible will have declined by more than 57 percent from its 1988 levels, even the very largest regional offices will have resource allocation problems. Certainly, the small regional offices will have difficulty maintaining the expertise and the resources necessary to administer a very complex system.

For institutions and veterans, the consolidated-region approach would, in the long run, contribute to a more efficient and effective system. If all claims were processed out of one regional location, no decisions would need to be made as to where to send applications, who to call for questions, or where to go to get a problem resolved.

Since the VA's functions in terms of approvals of institutions generally require no face-to-face contact with the schools, a consolidated-region VA approval system would ensure consistency and ease administrative difficulties in this area. Indeed, a central repository of approved programs and institutions would be automatic. The potential for improvements in automatic data processing capabilities would likewise be enhanced.

Under a consolidated-region approach, compliance survey specialists could be composed of "teams" of experts along the lines of the audit team approach the VA has adopted for its reviews of the operations of the regional offices. These teams could be sent out regularly to an area not only to conduct required compliance surveys, but also to provide liaison and training services to supplement those of the new education ombudsman.

The consolidated-region approach would permit a "career ladder" to be developed for those VA employees involved in the education programs. Morale and job performance would be improved by clearer lines of responsibility.

The Commission stresses that this recommendation envisions at least one important change in the operation of the current centralized processing system: An inquiry unit for both institutions and veterans must be established. Currently, institutions and veterans seeking information on chapter 30 benefits are required to deal with the various 58 offices. For example, a school counselor in Savannah, Georgia, who has a problem on a veteran's claim for chapter 30 benefits may not call the St. Louis Regional Office, but must deal with the VBC in Atlanta. Since chapter 30 information is now on the VA's Target system, that VBC may, if the problem is simple or the claim has been adjudicated and the information has been entered into the Target system, be able to provide the necessary information to the counselor. However, if it is not simple or if the problem requires decision making, that VBC in Atlanta must deal through the processing center in St. Louis. The frustrations for everyone involved are obvious and unnecessary. A central inquiry capacity is imperative.

The importance of retaining an "education ombudsman" capacity in each of the regional offices cannot be overstated. This capacity, despite the availability of a central inquiry unit, is needed to maintain liaison with institutions, veterans, and others in the community, such as guard and reserve units, and to provide training and support services. There is also a need to maintain a problem solving and trouble shooting function in the field. It is only in the field that familiarity with specific communities can exist and be called on. The ombudsman capacity must be at a level and grade sufficient to carry out these responsibilities and have direct-line authority through the education program and access to those who make policy and program decisions.

The Commission's recommendation does not specify a number of consolidated-region offices; this decision must be made on the basis of caseload and capacity.

The Commission stresses that adoption of this approach would need to be well-planned and have a specific time-frame established for achieving the goal. It cannot and must not be thrust upon the system in a "one-step" manner. Displacement and disruptions -- particularly in staffing -- should be unnecessary. With sufficient planning, the consolidated-region approach can be instituted with a minimum of disruption. In this regard, the Commission notes the provisions of section 210(b) of title 38, pertaining to reorganizations of the VA's structure and the requirement for the VA to submit to the Congress a specific plan for its approval prior to making certain organizational changes.

The Commission recognizes that this recommendation requires additional development to ensure that the specifics of a consolidated-region approach would be instituted in an orderly fashion. The effort would be worthwhile. The potential benefits of an expansion of the VA's commendable effort to centralize the chapter 30 operations should be thoroughly examined.

Finally, this recommendation does not apply to the VA's chapter 31 program of vocational rehabilitation. That program, substantially based on a hands-on "case-manager" approach, would never be appropriately administered through a centralized processing system.

CERTIFICATIONS AND REPORTS; EFFECTIVE DATES

ISSUE: Timely reporting of changes in rate of training by veterans and institutions; effective date of reductions based on changes in the rate of training.

BACKGROUND: Section 1784 of title 38, USC, requires veterans and other individuals training under the various VA education programs as well as educational institutions to report, without delay, enrollments, terminations, and interruptions of educational pursuit, including changes in enrollment status such as discontinuance of a course. By regulation, this requirement is applied differently to veterans enrolled in various types of educational and training facilities.

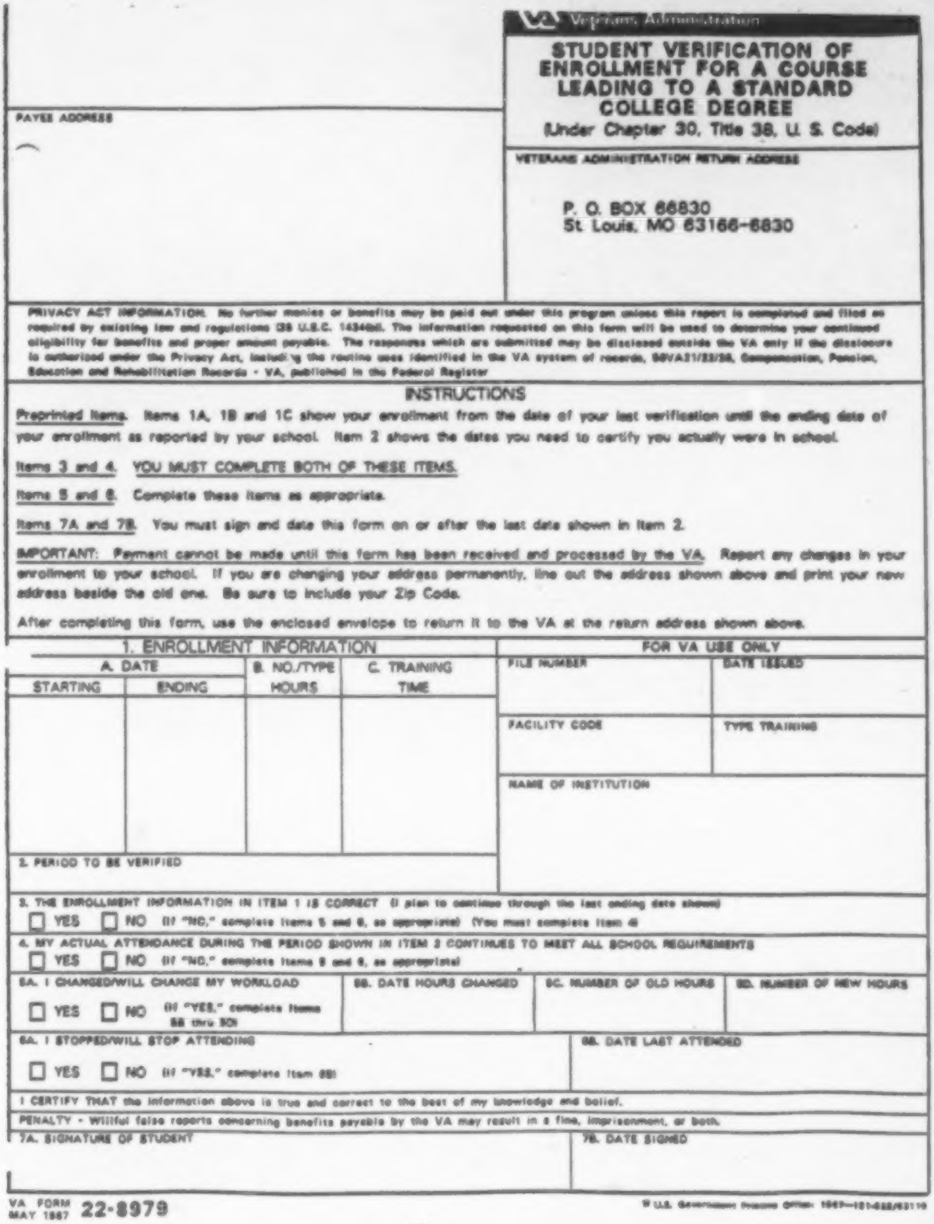
In the case of institutions of higher learning and veterans enrolled in degree programs, schools are generally permitted to certify a veteran's continuing enrollment for up to a one-year period. In addition, schools are required to have in place a procedure for monitoring student pursuit that will permit changes in a student's enrollment to be reported to the VA within 30 days of the date on which it occurs. Failure to report changes in a timely manner may result in liability for overpayments for both the institution and the student.

In the case of degree-level training, reductions in benefits based on changes in the rate of pursuit -- for example, a reduction from full-time benefits to three-quarter-time benefits in the case of a veteran who discontinues a course and drops from 12 hours to nine hours of pursuit -- are made effective at the end of the month in which the change occurs. A termination of benefits based on withdrawal from all courses is effective on the date on which withdrawal occurs.

In the case of students pursuing non-college degree programs, institutions and training establishments are required to submit daily attendance reports to the VA on a monthly basis. Effective dates of award actions are generally the same as those for degree programs.

However, a somewhat different approach applies in the case of educational assistance benefits for pursuit of a degree under the chapter 30 program. Section 1434 of title 38 provides that the Administrator may withhold payment of benefits to trainees pending receipt of the necessary reports and proof of enrollment in and satisfactory pursuit of a program.

Under this authority, the VA has instituted a "test program" of self-certifications verifying pursuit under the chapter 30 program for veterans enrolled in degree programs. Briefly, a student is required to complete a VA form on a monthly basis certifying enrollment and rate of pursuit. No payment is made to the student until this completed form is received by the VA. (A copy of this form is reproduced below.) The educational institution is not required to sign off on the form, and the submission of this monthly "self-cert" in no way relieves the institution of its responsibility to report changes in enrollment status within 30 days of occurrence.



Veterans Administration

STUDENT VERIFICATION OF ENROLLMENT FOR A COURSE LEADING TO A STANDARD COLLEGE DEGREE

(Under Chapter 30, Title 38, U. S. Code)

PAYEE ADDRESS

VETERANS ADMINISTRATION RETURN ADDRESS

P. O. BOX 66830
St. Louis, MO 63166-6830

PRIVACY ACT INFORMATION: No further monies or benefits may be paid out under this program unless this report is completed and filed as required by existing law and regulations (38 U.S.C. 1434(b)). The information requested on this form will be used to determine your continued eligibility for benefits and proper amount payable. The responses which are submitted may be disclosed outside the VA only if the disclosure is authorized under the Privacy Act, including the routine uses identified in the VA system of records, 58VA21/22/28, Compensation, Pension, Education and Rehabilitation Records - VA, published in the Federal Register

INSTRUCTIONS

Preprinted Items. Items 1A, 1B and 1C show your enrollment from the date of your last verification until the ending date of your enrollment as reported by your school. Item 2 shows the dates you need to certify you actually were in school.

Items 3 and 4. YOU MUST COMPLETE BOTH OF THESE ITEMS.

Items 5 and 6. Complete these items as appropriate.

Items 7A and 7B. You must sign and date this form on or after the last date shown in Item 2.

IMPORTANT: Payment cannot be made until this form has been received and processed by the VA. Report any changes in your enrollment to your school. If you are changing your address permanently, line out the address shown above and print your new address beside the old one. Be sure to include your Zip Code.

After completing this form, use the enclosed envelope to return it to the VA at the return address shown above.

1. ENROLLMENT INFORMATION			
A. DATE		B. NO./TYPE HOURS	C. TRAINING TIME
STARTING	ENDING		

2. PERIOD TO BE VERIFIED

FOR VA USE ONLY	
FILE NUMBER	DATE ISSUED
FACILITY CODE	TYPE TRAINING
NAME OF INSTITUTION	

3. THE ENROLLMENT INFORMATION IN ITEM 1 IS CORRECT (I plan to continue through the last ending date shown)
☐ YES ☐ NO (If "NO," complete Items 5 and 6, as appropriate) (You must complete Item 4)

4. MY ACTUAL ATTENDANCE DURING THE PERIOD SHOWN IN ITEM 2 CONTINUES TO MEET ALL SCHOOL REQUIREMENTS
☐ YES ☐ NO (If "NO," complete Items 5 and 6, as appropriate)

5A. I CHANGED/WILL CHANGE MY WORKLOAD ☐ YES ☐ NO (If "YES," complete Items 5B thru 5D)	5B. DATE HOURS CHANGED	5C. NUMBER OF OLD HOURS	5D. NUMBER OF NEW HOURS

6A. I STOPPED/WILL STOP ATTENDING ☐ YES ☐ NO (If "YES," complete Item 6B)	6B. DATE LAST ATTENDED

I CERTIFY THAT the information above is true and correct to the best of my knowledge and belief.

PENALTY - Willful false reports concerning benefits payable by the VA may result in a fine, imprisonment, or both.

7A. SIGNATURE OF STUDENT	7B. DATE SIGNED

VA FORM 22-8979
MAY 1987

☆ U.S. Government Printing Office: 1987—181-[illegible]

RECOMMENDATIONS:

- Provide authority under all chapters to require monthly self-certification verifying pursuit of training with a bar to benefits without it for both degree and non-degree training for all rates of training (including training on less than a half-time basis), as is now being implemented under chapter 30.

- Following an analysis of the effectiveness of these certifications in obtaining timely and accurate reports of changes in training status, consider modification of the requirement that institutions report changes in status within 30 days of the date of the event to a requirement that these changes be reported within 30 days of the date on which the institution has knowledge of the event.

- Make adjustments in benefits under all chapters that are required because of changes in training time effective on the date of the actual event, rather than at the end of the month in which the change occurs.

The Commission believes the requirement of a self-certification procedure correctly gives the veteran more responsibility for conscientious use of the benefits in which the individual has made a substantial investment. As noted in the Commission's principles and assumptions statement, greater veteran involvement is crucial to the continuing success of GI Bill programs. Expansion of self-certification across the board would insure uniformity and further the objective of shared responsibility.

The Commission cautions that this recommendation is made with two caveats.

First, the Commission stresses that the universal application of a "self-cert/bar to benefits" approach should be implemented only after it is ascertained that the VA has the necessary resources -- in personnel and computers -- to handle the accompanying workload. This is imperative in order to avoid unnecessary delays in the delivery of benefits.

Second, there is a possible problem if the VA receives more timely and accurate information than the educational institution itself. Fortunately, the seriousness of this problem seems sufficiently limited to avoid adding any system whereby the institution would receive copies of the notices or need to sign off on the veteran's certification. The furnishing of complete monthly "pay cycle" listings to the institutions (as discussed elsewhere in this report) would ameliorate the situation. Furthermore, a pattern of "lack of knowledge" on the part of an institution could signal a more general reporting or administrative failure that needs attention either by the institution or the VA.

It is too soon to tell whether the self-cert process being tested for the chapter 30 program assures accurate and timely information from veterans, enhances the integrity of the program, and permits benefit payments to be adjusted appropriately. However, the VA has indicated that it is tracking its progress. Based on a longer-term analysis of the effectiveness of this process, consideration should be given to revising the reporting requirements for institutions. The veteran should be the one having primary responsibility for conscientious use of benefits -- and primary liability in the case of overpayments. Eventually permitting an institution to report a status change within 30 days of knowledge of an event, as opposed to within 30 days of the event itself, when coupled with an aggressive policy on the recovery of erroneous payments and the self-cert/bar to benefits process, may still provide the VA with the necessary information to determine appropriate benefit payments.

With respect to the recommendations relating to the effective date of reductions in awards based on reductions in training time, the Commission sees little merit -- particularly given the current operation of the chapter 30 program on a "self-cert" basis and the automated data processing capabilities that are available -- in continuing the "end-of-month" rule for these awards.

Both beginning dates and ending dates of awards based on enrollment in and termination of training are based on the date of the actual event. For example, a veteran enrolled in 12 credit hours of training that begin on January 15 and lasts until May 7 will receive three months and 22 days of full-time benefits, with entitlement charged accordingly. If the veteran terminates this training on March 15, withdrawing from all 12 credit hours, the veteran will have benefits terminated effective March 15 and be charged two months of entitlement.

However, if that veteran drops six of those 12 credits on February 2, the reduction from a full-time to half-time rate of benefits is not effective until February 28.

Since, particularly under a self-cert/bar to benefits process, the veteran is required to inform the VA in the February certification of the change in training time prior to the payment of any benefits for the month of February, the Commission believes that benefits should be paid accordingly and entitlement charged based on that information. It should be pointed out that although the immediate consequence to the veteran may be a reduction in benefits, the net result is "saved" entitlement.

CHANGES OF PROGRAM LIMITATIONS

ISSUE: Limitation on number of changes of program permitted to be made by veterans and other eligible persons.

BACKGROUND: Under section 1791 of title 38, a veteran or other eligible person is generally permitted not more than one change of program of education. One additional change of program may be approved by the Administrator if it is found: (1) that the program of education which the individual proposes to pursue is suitable in terms of aptitudes, interests, and abilities, and (2) in the case of an individual who interrupted or failed to make progress in the pursuit of a prior program, that there exists a reasonable likelihood that there will not be a recurrence of the interruption or failure to progress. Additional changes of program may not be approved unless the Administrator finds that the change is necessitated by circumstances beyond the individual's control.

As implemented by the VA in 38 CFR 21.4234, a change of program is defined as "a change in the educational, professional or vocational objective for which the veteran or eligible person entered training and a like change in the type of courses required to attain a new objective." A veteran or an eligible spouse training under chapter 35 is permitted one "optional change of program", if the previous program was not interrupted due to lack of application, misconduct, or neglect.

Other changes of programs may not be made solely at the option of the veteran or eligible person and must be approved by the VA prior to the payment of any educational assistance allowance. These changes include:

> (1) A second or subsequent change of program made by a veteran or eligible spouse or surviving spouse.
>
> (2) An initial change of program made by a veteran or eligible spouse if the first program was interrupted or discontinued due to misconduct, neglect, or lack of application.
>
> (3) Any change of program made by a child enrolled in training under chapter 35.

These changes will be approved by the VA, if the program of education to be pursued is suitable to the individual's aptitudes, interests, and abilities; and, in the case of a change made by an individual whose first program was interrupted by misconduct or the like, if there is a reasonable likelihood there will not be a recurrence of an interruption or a failure to progress.

Subsequent changes of program may only be approved if the changes are necessitated by circumstances beyond the control of the veteran or eligible person. As set forth in the regulation, these circumstances include, but are not limited to:

> (1) The course being discontinued by the school when no other similar course leading to the same objective is available within normal commuting distance.
>
> (2) Unexpected financial difficulties preventing completion of the last program because of the overall costs of the program needed to reach the objective.

> (3) The veteran or eligible person being required to relocate because of health reasons in an area where training for the last objective is not available within normal commuting distances.

Changes of program are not deemed to include the pursuit of a first program which is a prerequisite for entrance into a second program or a transfer from one school to another when the program at the second school leads to the same objective and does not involve a material loss of credit (generally 12 credit hours) or increase in the length of time needed to complete the program of study.

A material loss of credit, however, will result in a change of program. For example, a college student who has earned 100 of the 140 credit hours required for a degree in economics who changes to a history major and has all but fifteen credits transferred to the new major would be charged with a change of program.

In other instances, a change of program can result even if there is no change of objective. For example, a student completes 120 credits in a 130-credit bachelor's degree program and then changes to another school. The second school accepts all credits from the first school but requires that the student complete 35 credits in residence. This is a change of program, because the student will be required to extend the time necessary to obtain the original objective by more than 12 credits.

Program changes also include changes in the mode or type of training. For example, a change of program would be charged for entrance into a resident training program in diesel engine repair following the completion of a home-study course in the same field.

RECOMMENDATIONS:

- Abolish the limit on the number of changes of program (retaining restrictions for failure to progress).

- Institute a counseling requirement for changes of program beyond an initial change.

The Commission sees no purpose in limiting the number of changes a student may make. Indeed, there is potential under existing law that a veteran could be unreasonably denied access to benefits in which a substantial investment has been made. For example, a veteran who completes a course through home-study while on active duty, enrolls in a certificate course in automobile repair following discharge from service would be charged with a first "optional change of program". After several weeks of training, the veteran decides that this field of endeavor is not suitable and applies and is approved for a change to a certificate program in heating, venting and air conditioning. At this point, any subsequent changes of program -- to a degree program or an OJT opportunity -- are barred unless it can be demonstrated that the change is necessitated by circumstances beyond the veteran's control. Should the veteran decide that it would be better to pursue a college education or that the opportunity exists to put skills to use in an apprenticeship program, no further use of GI Bill benefits would be possible for these purposes.

It further seems that this provision imposes an unnecessary requirement on the VA to make a judgment call relating to the veteran's use of benefits. At the very least, it presents another opportunity for inconsistency in the system in that two different adjudicators could decide similar cases in entirely different ways.

Additionally, there is significant potential for unnecessary inequities in the current system. For example, a veteran training under the Montgomery GI Bill, already charged with two changes of program, could complete an initial educational objective by attaining a bachelor of science degree in nursing but still have three months of educational assistance remaining. Use of these benefits for the pursuit of an additional program, e.g., a certificate in gerontology, would be barred. However, a similarly-circumstanced veteran with no changes of program charged, who chooses to use the three remaining months of benefits for an automobile repair course would be permitted to pursue this program as it would be a first "optional" change.

It is conceivable that if the limit were removed, there would be a few individuals who could, in essence, squander 36 or 45 months of benefits without ever achieving an educational, vocational, or professional goal or objective. Without question, that is somewhat troublesome. However, with the inequities inherent in the current system, given the fact that students training under the new Montgomery GI Bill are expected to be more mature, more serious students, and that these are benefits in which the majority of veterans will have made an investment, this objection to removing the limit does not seem to justify the effect of a possible "bar to future benefits" in the case of more than two changes of program.

Nevertheless, in order to assist veterans in the most effective use of their benefits, the Commission recommends that a requirement for VA-approved counseling be instituted for changes of program after a first optional change. This would give the veteran the opportunity to review goals and objectives, as well as interests, abilities, and aptitudes, that may enhance the educational experience. As discussed elsewhere in the Commission's recommendations, upfront investments in counseling and educational guidance would likely result in more effective use of benefits and could serve to limit substantially the number of changes of program.

COMPLIANCE SURVEYS AND SUPERVISORY VISITS

ISSUE: On-site visits to educational institutions and training establishments (compliance surveys and supervisory visits).

BACKGROUND: In 1987, as the Commission began its work, section 1793 of title 38 required the Administrator to conduct annual compliance surveys of all educational institutions in which at least 300 VA beneficiaries were enrolled or where courses did not lead to a standard college degree. The purpose of the survey was to assure that the institution and the courses were in compliance with all applicable provisions of title 38.

In addition, contracts required the various State approving agencies to conduct annual supervisory visits to each active institution in the State, defined as an institution enrolling a veteran or other eligible person at any time during the year.

During the course of this study, modifications have been made in both of these requirements in ways that reflect and complement conclusions reached by the Commission.

First, by virtue of section 322 of Public Law 100-322, the Administrator may waive the requirement for an annual compliance survey in the case of an institution having a demonstrated record of compliance. Legislative intent, however, is that all active institutions be surveyed at least once every four years.

Second, based at least in part on the discussions of the Commission, contracts with the State approving agencies no longer require annual supervisory visits to every active institution.

RECOMMENDATIONS:

- Monitor by exception by permitting the VA to target schools for compliance survey audits based on factors outside the norm.

- Require resources of the State approving agencies to be concentrated on schools where assistance is needed or problems exist in lieu of the requirement that annual visits be made to all active institutions.

- Re-model compliance surveys and SAA supervisory visits to create problem-resolution and training opportunities, recognizing that such an approach would improve administration of benefits and recognize strengths as well as weaknesses during the feed-back process.

- Give special attention and assistance to institutions having a turnover in staff that are responsible for administering GI Bill benefits.

The Commission believes recent Congressional action eliminating the requirement for compliance surveys to be conducted on a formula basis is a major step toward conservation of scarce VA resources and toward improved relations with educational institutions.

As noted by a number of the institutions responding to the Commission's survey, compliance surveys often become onerous and antagonistic exercises where compliance survey specialists insist that "every 't' is crossed and every 'i' is dotted." Given the VA's policy of unannounced surveys, institutions are subject to somewhat of a "SWAT team" attack with no notice. Some respondents complained that compliance surveys are conducted during registration or the first few weeks of classes, and during the time that the school's certifying official is on leave.

On the other hand, many institutions responded that the annual compliance survey visit is helpful and provides virtually the only opportunity for interaction between the institution and the VA. A number of schools said it offers a chance for the compliance survey specialist to review the rules and regulations, suggest improvements, and correct small errors before they become major mistakes. Fewer schools reported problems with the conduct of annual supervisory visits although the scope of these visits -- particularly at accredited institutions of higher learning -- is not generally as far-reaching.

State approving agencies and the VA's education liaison representatives who responded to the Commission's surveys reported finding few "serious" problems during these visits. Indeed, while the average percentage of cases in which problems were identified was high (64 percent), the ranking of the seriousness of the problems was low -- two on a scale of one to ten (with ten being very serious).

The Commission recognizes the importance of both the compliance survey and the annual supervisory visits in terms of assuring that GI Bill benefits are administered correctly and efficiently. However, the recent changes in the time of and requirements for these visits are constructive and further refinements would also improve the system.

Specifically, the VA should adopt a means for targeting schools for compliance surveys based on factors outside the norm, much like the IRS selects tax returns for audit. For example, schools with higher rate than a standard established for overpayments might be targeted, and schools with a history of satisfactory compliance might be exempted.

In addition, the Commission believes that the recommendations of those most familiar with the institution at the local level must be a major factor in the selection of schools for compliance surveys. The judgment of the responsible VA regional office -- and, specifically, the education liaison representatives, compliance survey specialists, and adjudication officers who deal with the institution on a regular and almost daily basis -- must be relied on in making these decisions. These individuals know which schools are likely to have problems and which schools are not.

The resources of the State approving agencies should also be focused on schools where problems exist or assistance is needed. Rather than the past practice of required visits to each active institution, State approving agency personnel should be involved in outreach, trouble shooting, and problem resolving activities.

Consideration should be given to the timing of VA compliance surveys and SAA visits particularly with respect to the institution's schedule and to the possibilities of conducting these activities jointly. Except for good cause, unannounced visits should be avoided.

Restructuring both compliance surveys and SAA supervisory visits to include problem-resolution and training opportunities should enhance the accurate administration of benefits. Interaction between the institution and the VA/SAA personnel during these sessions will help strengthen the schools' ability to respond. Providing positive feedback to institutions demonstrating excellent performance, as well as submitting negative reports when appropriate, would also better serve the system.

Special attention is needed at institutions having a frequent staff turnover of those responsible for administration of GI Bill benefits. By devising a means of quickly identifying a staffing change and then providing the new individual with specific assistance in dealing with the very complicated VA benefit structure, future problems can be significantly alleviated.

COUNSELING AND SUPPORT SERVICES TO VETERANS

ISSUE: The provision of counseling and support services to veterans in a manner that will best ensure the efficient operation and integrity of the GI Bill.

BACKGROUND: Under the various provisions of title 38, the VA is responsible for providing counseling to veterans and other eligible persons enrolled in training under the numerous educational assistance programs. In some instances, such as in the case of unsatisfactory conduct, this counseling is generally required prior to allowing the veteran to use additional benefits. In other cases, the VA makes counseling available as requested by the individual.

RECOMMENDATION:

- Counseling and associated support services be provided on an "upfront" basis to individuals seeking to use GI Bill benefits, as well as on a continuing basis as required or requested.

The Commission believes that more effective use of GI Bill benefits would result if individuals seeking to use their benefits were advised of the intricacies of the program and of their rights and responsibilities at the outset of their training. Veterans could make enlightened decisions with respect to their education, if counseling opportunities accompanied initial applications. Additionally, fewer abuses would likely result if veterans were aware of the rules and the requirements associated with the use of benefits.

Prior to 1986, the VA form on which an initial application for education benefits was submitted contained a check-off block asking the individual if VA counseling was desired. Although the availability of VA counseling services is now made known to the applicant in small print on the reverse of the application form, requests for counseling have diminished considerably since the "block" was deleted. Efforts are underway to restore this "block" to the application form, and the Commission supports that initiative, although the recommendation here is more far reaching.

Under current practices, shortly after leaving the service, an individual will receive a package of material from the VA regarding various benefits to which entitlement may have been established. Generally, no other communication is likely to occur until the veteran files an application for benefits. When an application for education benefits is received, it can be processed without any direct communication with the veteran. An award letter is mailed to the veteran stating little more than that the veteran has been awarded benefits in "X" amount for "Y" period of time.

The Commission believes that if the VA were required to counsel the veteran on the "rules of the game" at the time of application and to assist the veteran in using educational assistance benefits in the wisest possible fashion, a great improvement would be seen in the administration of the program at all levels. For example, a veteran could first be advised of the various types of training and services available under the programs and provided the traditional counseling assistance associated with selection of a career and an educational, vocational, or professional goal. This would immediately help the veteran make the best use of the benefits and limit the possibilities of overpayments being created.

Counseling of an informational nature would also provide an opportunity to make the veteran aware of the availability of and limits on such support services such as refresher and remedial training, work-study positions, and tutorial assistance. Furthermore, the complicated benefit structure that is possible with a "kicker" system makes clarification of the entire program at the outset even more necessary than it was in the past.

The veteran should be advised of responsibilities with respect to the program -- for example, the requirements to make satisfactory progress and to submit monthly self-certifications -- as well as the penalties for failing to fulfill those responsibilities. The Commission believes that providing the rules to the veteran at the outset would result in far fewer instances of frequently unintentional misuse and abuse of benefits, as well as help establish reasonable expectations on the part of the veteran. If, for example, a veteran knew of the requirement for "mitigating circumstances" prior to dropping a course and of the overpayment that might result if such circumstances did not exist, the veteran might reconsider a decision to use benefits for a specific course or to take a heavier course load than could be easily handled.

Counseling would also allow the VA to emphasize to the veteran the importance of maintaining the integrity of the program and of cooperating in and contributing to a partnership inherent in these benefits. The consequences of failing to do so -- particularly in terms of overpayments -- could be made clear.

The Commission notes that this required counseling would not need to be extensive in every case. Many veterans may need no assistance in terms of selecting a career or an objective. All veterans, however, should be counseled on the extent of their benefits and on their rights and responsibilities, as well as procedures and policies. This would help ensure that the GI Bill student is an "informed consumer" of education benefits.

The counseling envisioned by the Commission also need not entail a traditional one-on-one, face-to-face session. Rather, clear, written information mig~~ht suffi~~ce. When provided to a veteran upon receipt of a benefit application, this material would make clear the availability of more substantive counseling and assistance upon request. Use of videotaped materials could also be extremely helpful.

It should be noted that the timing of counseling is important. Experience has shown that many individuals will pay little attention to "exit briefings" given as they leave military service. Counseling must be closely associated in time with the initial application for benefits in order to be most effective and beneficial.

The Commission wishes to note its concern that the Department of Defense needs to take steps to ensure that servicemembers are more clearly and consistently advised of benefits earned under the Montgomery GI Bill. Specifically, those individuals who are participating in "kicker" programs should be made fully aware of the amount and conditions of the additional benefit. In addition, recalculation of a kicker in the event of an early discharge for the convenience of the government is a practice that the Commission believes should be carefully reviewed.

In a somewhat related vein, the Commission notes its concern regarding the implementation of the chapter 106 program, particularly the long delays that accompany initial applications for benefits and the problems in obtaining and maintaining accurate information on those who participate in the program. It is the Commission's understanding that significant improvements have occurred in this area and that the Department of Defense and the VA are continuing to explore means of achieving necessary refinements. The Commission urges the continued cooperation of the VA and the Department of Defense in this effort.

DEBT RECOVERY AND FRAUDULENT CLAIMS

ISSUE: Recovery of overpayments of erroneous benefits and disposition of fraudulent claims.

BACKGROUND: Unfortunately, the problems of erroneous benefits and overpayments, as well as the intentional misuse of benefits by veterans and other persons, are neither new nor insignificant. Collection of overpayments and debts owed the VA has been a major issue for some time and is likely to continue.

Under the law, the VA has extensive authorities that may be used to facilitate the collection of debts. These include reporting established debts to credit reporting agencies, offsetting future benefit payments, and withholding amounts of indebtedness from Federal income tax returns.

Additionally, under section 3502 of title 38, an individual who fraudulently accepts any payment of monetary benefits to which that individual is not entitled may be fined not more than $2,000, or imprisoned not more than one year, or both.

RECOMMENDATIONS:

- The VA continue determined initiatives to facilitate aggressive and timely efforts to recover overpayments of educational assistance benefits.

- Adequate resources and personnel be made available to the VA for this purpose.

- Other Federal agencies (such as the Department of Justice, the Department of the Treasury, the Department of Education, and the Department of Defense) be required to cooperate in these efforts.

At this early stage of the Montgomery GI Bill, it is especially important that those who are participating in the program know that the VA fully intends to be aggressive in its efforts to collect justified debts and serious about ensuring that GI Bill benefits are not abused.

In making this recommendation, the Commission is cognizant of widely publicized past abuses when the VA's inability to collect erroneous payments was well known.

The expenditure of necessary resources at this early stage should set a tone that misuse of educational assistance benefits will not be tolerated. The VA has responsibilities to administer these programs in the best interests of the veteran and to assist in efforts to use the benefits productively. However, there are also responsibilities to ensure that Federal funds are not misused or expended fraudulently.

The Commission is sympathetic to the concerns some may have about pursuing these debts and the possibility of prosecuting veterans, particularly when the amount of money involved may be small, and there may be many more serious circumstances which would compete for the resources necessary to facilitate aggressive and timely collection recoveries. Nevertheless, it should be stressed that an aggressive approach at this time would go a long way towards curbing the possibilities for abuses and misuses in the future. On the other hand, failure to do so at this time would undoubtedly lead to the need for more stringent controls, which could seriously affect the ability of all veterans to use these important benefits.

In a related area, the Commission believes that determined efforts need to be made at all junctures to prevent the establishment of debts in the first place. Debt prevention initiatives must be made a continuing priority in the administration of educational assistance programs. Many of the Commission's recommendations, such as those relating to training and administrative resources, mitigating circumstances, and certifications and reports, could have debt preventative aspects. Additionally, when considering legislative proposals, the Congress and the VA should weigh and keep in mind the impact of proposals and their implementation in terms of debt prevention.

DISTINCTIONS BETWEEN NON-COLLEGE DEGREE AND DEGREE TRAINING

ISSUE: The need for distinctions between certificate-granting courses and degree-granting courses.

BACKGROUND: The Commission is specifically tasked through its statutory charge to examine and make recommendations regarding the need for distinctions between non-college degree (NCD) and degree training.

Under current law, regulations, and policies, there are a variety of distinctions in the treatment of NCD and degree-granting programs of education. Among the most notable are distinct requirements dealing with daily attendance reporting and with credit-hour versus clock-hour measurement. Less obvious distinctions occur in such areas as changes of program and effective dates of awards.

RECOMMENDATION:

- Remove arbitrary distinctions in the treatment of degree and NCD programs.

To appreciate fully the derivation and impact of the distinctions between these two types of training, the Commission urges a careful review of the following excerpt from a 1973 report entitled Educational Assistance to Veterans: A Comparative Study of Three GI Bills. This report, prepared by the Education Testing Service (ETS) under contract with the VA, constitutes an independent comparison of the education benefits available under the first three GI Bills. This excerpt provides an excellent discussion of the distinctions made between various types of training that in most cases remains valid fifteen years later.

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Chapter 9
NON-DEGREE EDUCATIONAL PROGRAMS

DIFFERENTIAL TREATMENT OF VOCATIONAL/TECHNICAL TRAINING

In the immediate postwar years, Congress and the Veterans Administration were confronted with an unprecedented number of institutions and students using their entitlement for education and training in programs below the college level. On October 31, 1949, there were 800,000 veterans enrolled in approved institutions below the college level. 7,423 (16 percent) of which had been established after June 22, 1944. As a response to abuses by profit-making institutions, it was necessary to clarify and define existing laws and add legislation to respond to these students and their educational situation.

Today, 23 years later, several of the policies designed to respond to this specific educational situation are still in effect. As a result, current policies frequently constitute differential treatment of students pursuing college degrees and students involved in other forms of postsecondary educational programs. Credit hour vs. clock hour policies, change of course requirements, certification of attendance requirements and "IHL" vs. "BCL" terminology are some of the policy areas in which the differential treatment can be most clearly seen.

Clock Hour vs. Credit Hour Policy

P.L. 346 provided for the Administrator to pay to the institution for each person enrolled in a full-time or part-time course of education or training the customary cost of tuition, fees, books, supplies and equipment, not to exceed $500. However, the law did not define what a "full-time course" was; it was up to the Administrator to define this and issue regulations to that effect.

> "A full time course in collegiate institutions which uses a standard unit of credit...is defined as a minimum of twelve standard semester hours of credit for a semester or their equivalent... A full-time course in all other schools, including high schools, is defined as 25 or more clock hours of required attendance per week."

P.L. 610, approved in 1950, incorporated this definition and expanded it to define an institutional trade or technical course which

> "...offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full time course when a minimum of 30 hours per week of attendance is required..."

Today, in Title 38, U.S. Code, these same definitions are still in effect, although a 14 hour credit rule may be defined as a full-time course if there is no 12 hour credit rule within the institution as its own definition of a full-time course. There are three distinct categories here:

1. An institutional undergraduate course
2. A trade or technical course where shop practice is involved
3. An institutional non-degree course in which theoretical classroom instruction predominates.

Each category warrants separate discussion to fully explain the different policies that students face in each sitution.

An Institutional Undergraduate Course. When a veteran enrolls in a college or university in a degree-granting program, he must take the minimum of 12 semester hours of credit per week. This figure is based on the assumption that for every hour in class, 2 hours of study are required outside of class, or that 36 hours (minimum) will be spent on schoolwork a week.

A Trade or Technical Course Where Shop Practice is Involved. This usually refers to courses which lead to diplomas or certificates, but not degrees. These courses today are offered at trade or vocational schools, as well as community and/or junior colleges. Thirty hours of class are required, or 30 "clock-hours." This concept of vocational education is derived from the Smith-Hughes Act of 1917, which referred to a course in which the student spent 30 hours per week in the same shop with the same instructor. However, this situation has changed, most noticeably in community colleges. For example, according to testimony presented to a Congressional committee in 1973

> "...in North Carolina, an ordinary full-time load for non-veterans in vocational courses leading to a certificate consists of 15 clock-hours a week in "hands on" shop training equated by the institution to 5 credit hours and an additional 12 contact hours in academic classes on campus for which extensive preparation is ordinarily required...
>
> Under the present system of measurement, therefore, the average student veteran in North Carolina would be enrolled in 12 credit hours/contact hours of academic work, (requiring 24 hours of classroom preparation) plus an academic work, (requiring 24 hours of classroom preparation) plus an additional 15 contact hours of shop courses -- a grand total of approximately 51 hours spent in the pursuit of his

> education -- and he would still be considered lacking three contact hours by the VA to be considered a full-time student."

Obviously, the student pursuing a vocational education must spend many more hours in pursuit of his education than a student in a degree-granting program, while this is further increased for the veteran, if he wants to receive his full monthly allowance.

Technical Courses. This type of course leads to a certificate or a diploma, and requires 25 hours of classroom attendance per week. While it is true that many technical programs are taught at schools designed specifically for that purpose, which may find it acceptable to count courses by clock hours, other courses are taught at community and junior colleges and this is the same type of situation faced by the vocational students. They also take academic courses, yet are required to use the clock hour system of measurement.

Policies pertaining to an educational situation of 23 years ago are still in effect today, even though education, whether leading to a degree or vocational/technical education, has undergone tremendous changes. However, this difference in credit hour-clock hour policies, enabling students who are pursuing degree-granting programs to pend less time in class, also enables them to pursue part-time jobs. Students following certificate programs must spend more hours in class and in classroom preparation and thus have less time to seek part-time jobs.

Attendance Procedures

The World War II bill did not put into law any attendance requirements; this led to a situation where veterans could enroll in a course, and receive benefits, while not attending class. A 1950 Report from the Administrator of Veterans' Affairs states:

> "There is, at the present time, no adequate control of veterans' attendance at educational institutions. Many schools have a standard attendance or absence policy, and it is not, therefore, possible to accept or enforce even the policy of the institution."

This situation was remedied under the Korean Conflict legislation. An attendance procedure was initiated where:

> "No education and training allowance shall be paid to an eligible veteran for any period until the Administrator shall have received from an eligible veteran
>
> a) in the case of an eligible veteran enrolled in an institutional course which leads to a standard college degree or a course of institutional on-farm training, a certification that he was actually enrolled in and pursuing the course as approved by the Administrator, or

> b) in the case of an eligible veteran enrolled in an institutional course which does not lead to a standard college degree or a course of apprentice or other training on the job, a certification as to actual attendance during such period..."

Here, a certification was required from students every month; students pursuing standard college degree courses, certified that they were still enrolled, while from other students an actual certification of attendance was required, signed by the students and verified by the educational institution.

The 1966 Veterans' Benefits legislation followed this same policy. A veteran enrolled in a course which did not lead to a college degree had to certify his attendance (actually, the number of absences was to be counted). But this policy changed to a

> "...policy which permits monthly payment to be made to students enrolled in Institutions of Higher Learning (IHL) on a regular recurring basis without a monthly Certificate of Attendance (C/A). Prior to May, 1967, monthly C/A's were required from all students receiving educational assistance allowances under the program of PL 89-358 [June, 1966]. Monthly payments were not made until C/A's had been received... A re-reading of the law revealed that it did not require monthly C/A's in IHL cases, and the change was made accordingly, though the old procedure is still in effect for below college level (BCL) students." (Emphasis added)

VA Regulations, Section 14203, clearly state that "schools which have veterans or eligible persons enrolled in courses which lead to ~~a~~ standard college degree are not required to submit monthly certification for students enrolled in such courses." The law and the Regulations which interpret the law clearly differentiate between veterans pursuing a college degree and other veterans. A veteran in a college-degree program certifies once a year or term as to his attendance and sends the form back to the VA. Veterans in non-degree-granting programs must fill out attendance cards once a month, certifying their absences; have the cards verified and signed by the registrar of the institution or person in charge of veterans' affairs, and then send the Certification of Attendance cards back to the VA. It is certainly understandable why this policy was changed for veterans in degree-granting programs: most schools, particularly large universities, do not use attendance procedures in their classes and it creates undue hardship and unnecessary paperwork for the veteran, instructor, and college. With respect to this change, a VA Management Engineering Study was undertaken in 1970 to determine the causes of overpayments and it found:

> "IHL trainees created roughly 10 overpayments per 100, while BCL trainees created 6 per 100 ... the logical inference, therefore, must remain that the elimination of monthly C/A's for IHL trainees has been an important factor in increasing educational overpayments...

> "Nonetheless, the change was and is desirable from a common sense, improved service and reduced workload point of view... The problem of educational overpayments...will not be solved by overcontrol. Much of what VA requires...in the realm of policing of attendance, choice of course...is out of step with the present day practice and thinking of students and educational institutions..."

The Certification of Attendance policy imposes on all veterans who are not pursuing a college degree a requirement that assumes this is still a policy in noncollegiate settings, while this may not be true at all. Veterans pursuing a certificate or diploma and attending colleges or institutions must abide by regulations that are not imposed on other veterans attending the same institution.

Change of Course Policy

P.L. 346, the World War II GI Bill of Rights, provided that a veteran was entitled to a course of education and training of his choice; he could change a course of instruction for reasons that were satisfactory to the Administrator. Large numbers of course changes took place in 1947, but it was not until 1949 when more than half a million changes took place that this become a matter of concern.

Fiscal Year	Number of Changes
1945	500
1946	26,000
1947	247,000
1948	455,000
1949	546,000

As a result, Congress enacted P.L. 610 in 1950, amending the original law and defining the conditions under which a course could be disapproved as well as the policy on course changes.

Courses that were defined as avocational or recreational were disapproved. The Administrator was given authority to deny the change of course if he found that it was not in the same general field as the veteran's original educational or occupational objective and that the veteran had already made one change from one general field to another. He could also require guidance where a veteran had made one change from one general field to another.

The Korean Conflict bill for veterans' benefits incorporated these provisions and added that eligible veterans (except those who had not made satisfactory progress) were entitled to one change of program. These provisions were enacted to prevent a veteran from taking courses primarily to collect educational benefits, and from frequent changes of educational objectives.

Under the current GI Bill, an eligible veteran may make one optional program change; additional changes must be approved by the Administrator. In response to a question about counseling, a VA spokesman replied:

> "Counseling is provided on a required basis if a veteran requests re-entrance or a change of program after making unsatisfactory progress in his training program. Counseling is also required for a veteran's second or any subsequent change of program."

These regulations require veterans to consult with vocational counselors before changes of program can be approved. However, how a change of program is defined differs for veterans whose objective is a college degree.

VA regulations require that the certification of enrollment must clearly specify the program objective. A veteran whose stated objective is a "college degree" may change his major several times as long as the degree does not change. A change is counted only when there would be a loss in credits and if it requires an extension of time for completing a new program. Students not in degree-granting programs must state their "job objective," such as electrician; if they desire to go into another area, this would be considered a change of course. Even if a veteran chooses to go into another course closely connected with his first course (unless the first course is a prerequisite to or required for entrance into the second), then it is still a change of course. Not only is the college veteran permitted to put "college degree" as his program objective, but he is then able to change programs, such as from Sociology to Political Science, without having to report this as a program change.

IHL vs. BCL Terminology

Throughout legislation and VA regulations, the terms BCL (Below College Level) and IHL (Institutions of Higher Learning) are used. These terms appear in the original GI Bill have become standard usage with reference to educational level of benefits. The terms are inaccurate because they promote confusion with respect to students who are pursuing diploma or certificate programs within an "Institution of Higher Learning." "BCL" gives a negative connotation to any education or training that is not aimed at a college degree. It conforms to the American usage of "Higher Education" and deduces from this the somewhat pejorative term "BCL." A VA Regional Office Education liaison, when asked if he had ever received any complaints about this terminology, responded that he had once been approached during a regional meeting of schools in his area by a student who voiced his objection to the terminology used by the VA and felt that the term "Below College Level" was degrading and demeaning. The terminology may be unimportant, but it is perhaps within this framework that policies that give preferential treatment to students in "Institutions of Higher Learning" have developed.

Effects of These Policies

One effect of these differential policies may be that veterans choose degree-granting programs rather than vocational or technical programs, even if their interest is in the latter form of education. One way to determine whether or not this has happened is to look at the number of veterans trained, and the types of training over the three GI Bill periods.

Comparisons of Veterans by Type of Training

	World War II		Korean Conflict		Vietnam Era	
	Number	Percent	Number	Percent	Number	Percent
College	2,230,000	28.6	1,213,000	50.7	1,505 248	56.9
Below College	3,480,000	44.6	1,573,849	36.0	861,664	32.6

This table clearly shows that throughout the three GI Bill periods, the percentage of veterans that went to college has steadily increased (almost doubled) while the percentage of veterans in "Below College" training has steadily decreased. These figures must be seen in the light of several factors:

1. There has been a steadily increasing student enrollment in vocational and technical education throughout the country. In 1945, enrollments in vocational education were 2,012.931 with a postsecondary vocational and trade school enrollment of 445,000. In 1972, the enrollment in vocational education is 11,602,144 with a postsecondary enrollment of 1,304,921 or 11.2 percent of the total.

2. There has been an increased emphasis on vocational education through Federal legislation. With the passage of the Vocational Education Act of 1963, money was made available to schools to "...prepare individual for gainful employment in occupations except those requiring 4 or more years of education." In the 1968 Vocational Education Amendments further expended the program with an emphasis on programs directed towards the socially and economically disadvantaged. Student loan programs were opened up to students in vocational programs, where this money had been available to students only for Higher Education before. For instance, the Guaranteed/Federally Insured Student Loan Program

> "...provides student with the opportunity to borrow money for higher education or vocational training in post-secondary schools that offer business, trade and technical or other vocational training.

Other programs, such as the Basic Educational Opportunity Grant Program, the Direct Student Loan Program, and the College Work-Study Program are also available to vocational students.

3. The development of vocational training programs by the U.S. Office of Education and the Department of Labor, such as the Manpower Development and Training Act programs, and the Vocational, Occupational and Technical Education (VOTE) programs.

4. Labor Projects and Occupational Needs. Russell Flanders, Chief of the Division of Manpower and Occupational Outlook, the Bureau of Labor Statistics, predicts that "...80 percent or more of all jobs will require fewer than 4 years of college by 1980." In other words, 20 percent or less of the jobs will require a college degree by 1980. Yet, over 50 percent of veterans in training are enrolled in colleges and universities, pursuing degrees, while slightly over 30 percent of veterans in training are in postsecondary educational programs not leading to a standard college degree.

Thus, at a time when there is increased emphasis through legislation, governmental programs and job needs on vocational and technical education and training, there is differential treatment accorded to veterans who wish to pursue vocational/technical education which might very well be keeping veterans away from vocational education. This is not to imply that fewer veterans should go to college or that the VA should try to influence personal decisions. It is rather to suggest that existing statutes and regulations make it less attractive for veterans to pursue a vocational/technical program of education.

* * * * *

The Commission notes that the recommendation to eliminate distinctions in the treatment of NCD and degree-level training is reflected in other recommendations in a number of instances. For example, it is inherent in the recommendation that the concept of monthly self-certifications of pursuit be expanded to apply to all veterans in all programs and all types of training. Similarly, the recommendation to eliminate restrictions on the number of changes of program would have an impact in this area as well. The recommendations dealing with measurement would result in modifications of the current distinctions.

Nevertheless, the Commission wishes to state clearly its position that little merit as been found for maintaining arbitrary distinctions that result in different treatment accorded to veterans choosing vocational or technical programs of education from those pursuing degree-granting programs. This is especially evident when such distinctions may discourage veterans from choosing this type of training or discourage institutions from making it available to those training under the GI Bill, as has been the case on numerous occasions.

A less apparent distinction not discussed in the ETS report, but one that clearly illustrates the problem, is the difference in the effective dates of awards for veterans enrolled in NCD versus degree training. Under current law and regulations, a veteran attending an institution and enrolled in a degree program may have benefits awarded effective on the date of registration for classes (or up to two weeks prior to registration, if the institution requires the individual to report earlier). A veteran, even one who may be attending the same institution, who is enrolled in an NCD program of education will have benefits awarded effective on the first date on which class meets On the other end, the distinction is repeated in the case of a veteran who is completing training. A veteran graduating from a degree program may be awarded benefits for up to two weeks following the date of the last class in order to accommodate graduation ceremonies. A veteran completing an NCD program has benefits terminated on the date of the last class.

During the course of the enrollments, the veteran enrolled in the degree program may receive benefits during intervals between terms. The NCD veteran, however, generally will not receive interval benefits since those days will be counted as absences.

It is interesting to note, as discussed in the ETS Report, that many current distinctions did not result from direct policy decisions. Instead, the laws, rules, and regulations which once covered all training have been gradually modified as they apply to college-degree training but not to NCD training.

In the past, the issue of the distinctions has been addressed but not totally resolved. Notably, in 1986, with the enactment of Public Law 99-576, the Congress attempted to deal with situations where an institution offers both degree and NCD programs of education. Section 315 of that law established a "mixed-measurement" approach designed to ameliorate situations where veterans sitting in the same classroom were treated differently, particularly in terms of attendance requirements and hours of study required. In practice, however, this approach has proven unwieldy and unnecessarily complicated and does not address the basic problems inherent in maintaining distinctions between the two types of training or in creating artificial measurement criteria that bear little or no relevance to the real world.

It can be argued that use of GI Bill benefits for NCD-level training under the new Montgomery GI Bill will be considerably diminished. This expectation stems from the emphasis inherent in the structure on its use as a recruitment tool enabling the military to recruit college-bound men and women. This is particularly apparent in the promotional aspects of the Army College Fund.

Nevertheless, the Commission believes that any and all arbitrary distinctions operating to diminish a veteran's freedom of choice on the use of benefits should be eliminated.

It should be noted that elimination of some of these distinctions, such as the requirement to report absences in NCD training, would result in significant savings being realized for all involved. The continued need for these monthly reports is questionable at best, especially when schools are required to have and enforce standards of progress, and greater emphasis is to be placed on the responsibilities of the individual veteran.

MEASUREMENT

ISSUE: The measurement of programs of education for payment purposes of GI Bill benefits.

BACKGROUND: Of all the issues confronting the Commission, the most complicated and controversial is that of appropriate measurement of a program of education for purposes of payment of GI Bill benefits. What constitutes "full-time pursuit" of a program of education? This question is probably the longest-standing problem facing those involved with the administration of GI Bill benefits.

Under the original World War II GI Bill, the Administrator would pay the cost of tuition and fees, plus a stipend, to a veteran enrolled in a full-time program of education or training. The law did not define a full-time course. By regulation, the Administrator defined "full-time" for a college using a credit-hour standard as a minimum of "twelve standard semester hours of credit for a semester or their equivalent." For all other schools, a full-time course was defined as one consisting of "25 or more clock hours of required attendance per week."

With the passage of time, these relatively straightfoward definitions have been codified, modified, and litigated repeatedly. The resulting provisions regulating measurement have become nightmarishly complex. The following charts, which appear in 38 CFR 21.4270, illustrate the problem. Hundreds of pages have previously been written on measurement,

ASSESSMENT AND PURSUIT OF COURSES

§ 21.4270 Measurement of courses.

(a) Trade, technical, high school and high school preparatory courses shall be measured as stated in this table. Clock hours and class sessions mentioned in this table mean clock hours and class sessions per week.

COURSES

Kind of school	Kind of course	Full time	¾ time	½ time	Less than ½ time more than ¼ time	¼ time or less
Trade or technical-nonaccredited (includes college courses not leading to a standing and degree)[1].	Shop practice an integral part of course.	30 clock hours attendance with not more than 2½ hours rest period allowance and not more than 5 hours of supervised study.	22 through 29 clock hours attendance with not more than 2 hours rest period allowance and not more than 3¾ hours of supervised study.	15 through 21 clock hours attendance with not more than 1½ hours rest period allowance and not more than 2½ hours of supervised study.	8 through 14 clock hours attendance with not more than ¾ hour rest period allowance and not more than ¼ hour of supervised study.	1 through 7 clock hours attendance.
	Theory and class instruction predominates[2].	25 clock hours net instruction and not more than 5 hours of supervised study.	18 through 24 clock hours net instruction and not more than 3¾ hours of supervised study.	12 through 17 clock hours net instruction and not more than 2½ hours of supervised study.	7 through 11 clock hours net instruction and not more than 1¼ hours of supervised study.	1 through 6 clock hours net instruction.
Trade or technical-accredited (includes college courses not leading to a standard degree)[1].	Shop practice an integral part of course[2].	22 clock hours attendance with not more than 2½ hours rest period allowance.	16 through 21 clock hours attendance with not more than 2 hours rest period allowance.	11 through 15 clock hours attendance with not more than 1½ hours rest period allowance.	6 through 10 clock hours attendance with not more than ¾ hour rest period allowance.	1 through 5 clock hours attendance.
	Theory and class instruction predominates[2] [3].	18 clock hours net instruction.	13 through 17 clock hours net instruction.	9 through 12 clock hours net instruction.	5 through 8 clock hours net instruction.	1 through 4 clock hours net instruction.
High school-nonaccredited	High school diploma or equivalent[2] [5].	25 clock hours net instruction and not more than 5 hours of supervised study or 4 units per year or equivalent.	18 through 24 clock hours net instruction and not more than 3¾ hours of supervised study or 3 units per year or equivalent.	12 through 17 clock hours net instruction and not more than 2½ hours of supervised study or 2 units per year or equivalent.	7 through 11 clock hours net instruction and not more than 1¼ hours of supervised study or 1 unit per year or equivalent.	1 through 6 clock hours net instruction.
High school accredited	High school diploma or equivalent[4] [5].	18 clock hours net instruction or 4 units per year or equivalent.	13 through 17 clock hours net instruction or 3 units per year or equivalent.	9 through 12 clock hours net instruction or 2 units per year or equivalent.	5 through 8 clock hours net instruction or 1 unit per year or equivalent.	1 through 4 clock hours net instruction.
Elementary school-nonaccredited[1].	High school-preparatory[2].	25 clock hours net instruction and not more than 5 hours of supervised study.	18 through 24 clock hours net instruction and not more than 3¾ hours of supervised study.	12 through 17 clock hours net instruction and not more than 2½ hours of supervised study.	7 through 11 clock hours net instruction and not more than ¼ hour of supervised study.	1 through 6 clock hours net instruction.
Do[1]	do[2]	18 clock hours net instructions.	13 through 17 clock hours net instruction.	9 through 12 clock hours net instruction.	5 through 8 clock hours net instruction.	1 through 4 clock hours net instruction.

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[1] An educational institution offering courses not leading to a standard college degree may measure such courses on a quarter or semester hour basis as indicated for collegiate undergraduate courses in paragraph (b) of this section, provided: (1) The academic portions of such courses must require outside preparation and be measured on a minimum of 50 minutes net of instruction per week for each quarter or semester hour of credit, (2) the laboratory portions of such courses must be measured on a minimum of 2 hours of attendance per week for each quarter or semester hour of credit, (3) the shop portions of such courses must be measured on a minimum of 3 hours of attendance per week for each quarter or semester hour of credit. In no event shall such courses be considered a full-time course when less than 22 hours per week of attendance is required. Not more than 2 hours rest period shall be allowed per week for courses in which shop practice is an integral part of full-time courses; 1½ hours or ¾ time courses of 16–21 clock hours; 1 hour for ½ time courses of 11–15 clock hours; or ½ hour for less than ½ time courses of 6–10 clock hours; no rest period shall be allowed for courses of less than 6 clock hours of attendance.

[2] In measuring net instruction there will be included customary intervals not to exceed 10 minutes between classes. Shop practice and rest periods are excluded. Supervised instruction periods in school's shops, in farm cooperative programs and the time involved in field trips and individual and group instruction may be included in computing the clock hour requirements.

[3] Supervised study must be excluded.

[4] Diploma course or equivalent based on completion of 16 instruction units. If student is pursuing a course at a rate which would result in an accredited academic high school diploma at the end of a 4 ordinary school years, he or she is considered in full-time training. High school diploma courses or equivalent available only for chapters 32 and 34 and eligible spouses and surviving spouses under chapter 35.

[5] Diploma course or equivalent based on completion of 16 instruction units. High school diploma courses or equivalent are available only for Chapters 32 and 34 and eligible spouses and surviving spouses under Chapter 35.

(b) Collegiate graduate, professional and on-the-job training courses shall be measured as stated in this table. This table shall be used for measurement of collegiate undergraduate courses subject to all the measurement criteria of § 21.4272. Clock hours and class sessions mentioned in this table mean clock hours and class sessions per week.

(Authority: 38 U.S.C. 1682, 1732, 1777, 1787, 1788)

COURSES

Kind of school	Kind of course	Full time	¾ time	½ time	Less than ½ more than ¼ time	¼ time or less
Collegiate undergraduate	Standard collegiate courses including cooperative and external degree programs [1].	14 semester hours or equivalent [2].	10 through 13 semester hours or equivalent.	7 through 9 semester hours or equivalent.	4 through 6 semester hours or equivalent.	1 through 3 semester hours or equivalent.
Collegiate graduate	Standard collegiate graduate courses including law and external degree programs [1].	14 semester hours or equivalent or as certified by a responsible official of the school [2].	10 through 13 semester hours or as certified by a responsible official of the school.	7 through 9 semester hours as certified by a responsible official of the school.	4 through 6 semester hours or as certified by a responsible official of the school.	1 through 3 semester hours or as certified by a responsible official of the school.
Professional nonaccredited.	Law only [3]	12 class sessions per week.	9 through 11 class sessions per week.	6 through 8 class sessions per week.	4 through 5 class sessions per week.	1 through 3 class sessions per week.
Professional accredited and equivalent	Internships and residencies Medical, Dental, Osteopathic	As established by accrediting association.	As established by accrediting association or entity offering the internship or residency.	As established by accrediting association or entity offering the internship or residency.	As established by accrediting association or entity offering the internship or residency.	As established by accrediting association or entity offering the internship or residency
	Nursing, X-ray, medical technology, medical records librarian, physical therapy [4]	18 clock hours or 14 semester hours, as appropriate.	13 through 17 clock hours or 10 through 13 semester hours, as appropriate.	9 through 12 clock hours or 7 through 9 semester hours, as appropriate.	5 through 8 clock hours or 4 through 6 semester hours, as appropriate.	1 through 4 clock hours or less than 4 semester hours, as appropriate.
Training establishment	Apprentice or other on-the-job [5]	Standard workweek	....	Full time only	....	
Agricultural	Farm Cooperative [6].	10 clock hours net instruction [7].	7 clock hours net instruction	5 clock hours net instruction.	....	No provision.

[1] Independent study programs will be measured as provided in § 21.4272(h). Cooperative courses may be measured on a full-time basis only.

[2] Where the institution certifies that all undergraduate students enrolled for a minimum of 12 or 13 semester hours or the equivalent are (1) charged full-time tuition, or (2) considered full-time for other administrative purposes, such minimum hours will establish the criteria for full-time measurement.

When 12 hours is properly certified as full-time, 9 through 11 hours will be measured as ¾ time, 6 through 8 hours will be measured as ½ time, 4 through 5 hours will be measured as less than ½ time and more than ¼ time, and 1 through 3 hours will be measured as ¼ time or less. All other undergraduate courses will be measured as indicated in the table for undergraduate or professional courses as appropriate, but where 13 credit hours or the equivalent is certified as full time, ¾ time will be 10 through 12 hours. When in accordance with § 21.4273(a), a responsible official of a school certifies that a lesser number of hours constitute full time, ¾ time, ½ time, less than ½ time and more than ¼ time, or ¼ time, the certification will be accepted for measurement purposes.

Upon request of a beneficiary, an increase in rates warranted under this criteria may be authorized to him or her effective March 26, 1970, if he or she was enrolled on or after March 26, 1970. The request of the beneficiary will not be required for other payments under this criteria.

To meet criteria for full-time measurement under 38 U.S.C. Chapters 34 and 35 in standard collegiate courses which include required noncredit deficiency courses, in the absence of a certification under § 21.4272(k) the noncredit deficiency courses will be converted on the basis of the applicable measurement criteria, that is, 18, 25 or 30 clock hours, 4 "Carnegie Units", or 12, 13 or 14 (as appropriate) semester hours equal full time. The credit-hours equivalent of such noncredit courses may constitute any portion of the required hours for full-time measurement.

[3] Class sessions measured on basis of not less than 50 minutes of classroom instruction. Supervised study periods, class breaks and rest periods are excluded.

[4] Supervised study must be excluded.

[5] Full-time training will consist of the number of hours which constitute the standard workweek of the training establishment, but not less than 30 hours unless a lesser number of hours is established as the standard workweek for the particular establishment through bona fide collective bargaining between employers and employees.

[6] In measuring net instruction there will be included customary intervals not to exceed 10 minutes between classes. Shop practice and rest periods are excluded. Supervised instruction periods in school's shops in farm cooperative programs and the time involved in field trips and individual and group instruction may be included in computing the clock hour requirements.

[7] For full-time training the 440 clock hours a year may be prescheduled to provide not less than 80 clock hours in any 3-month period.

(Authority: 38 U.S.C. 1682, 1732, 1777, 1787, 1788)

[44 FR 62503, Oct. 31, 1979, as amended at 45 FR 73479, Nov. 5, 1980; 48 FR 37992, Aug. 22, 1983; 50 FR 21605, May 28, 1985; 50 FR 43135, Oct. 24, 1985] and there is nothing to be gained by reiterating the same issues in this report. In order to understand the current law and measurement system, one must appreciate that the basic premise has historically been that education is delivered in a classroom setting and that quantity and quality of education is determined by how long and how often an individual sits in a seat in that classroom.

Application of this concept frequently fails to reflect the more varied forms of education offered today. It particularly fails to recognize courses requiring irregular schedules, internships, independent study, and other non-traditional modes. It puts the VA squarely in the situation of dictating education policy to educational institutions. It causes veterans pursuing equal credits to receive unequal benefits. It can even mean that veterans pursuing fewer credits receive more money than veterans pursuing more credit.

This situation promises only to deteriorate as educational institutions design more and more programs employing technological advances, flexible scheduling, and non-traditional instruction, in order to meet the needs of today's changing society. At the same time, an increasingly older campus population challenges the old philosophy that a full-time student cannot also be employed full time.

RECOMMENDATIONS:

- Determine rate of benefits based on progress toward an educational, vocational, or professional goal through an approved program of study, shifting concern from the mode of delivery to concern about progress in attaining the objective.

- Eliminate Standard Class Sessions as a measurement criterion and measure all programs that include classroom instruction by industry standard "units" (credit or clock hours depending on the institution's standard).

- Permit independent and other non-traditional modes of study (defined as those not requiring regularly scheduled contact with an instructor in a classroom setting) without discrimination but limit such types of study within the student's overall program to a maximum of ten percent of the total length of the program.

- Offer an alternative payment schedule based on 75 percent of the otherwise applicable rate of payment for certain programs that do not meet the criteria of the "full-time pursuit" concept, such as those offered entirely through independent study, thus recognizing to a greater degree the effort required and the rate of pursuit towards a goal.

- Rely on State approving agencies to determine what constitutes an approved program leading to an educational, vocational, or professional goal or objective.

The Commission's recommendations envision results, for example, along the following lines:

An institution offering a program leading to a bachelor's degree requiring completion of 120 credit hours, including instruction in a classroom setting with scheduled interaction with an instructor, would apply to the State approving agency for approval of the course.

The State approving agency, following review of the course requirements and the institution, would either approve or disapprove the course. In connection with an approval, a determination would be made that the program would result in achieving the specified objective -- the bachelor's degree -- within a specified period of time consistent with established standards of the educational community. In this example, it is assumed the objective would be reached within four academic years by completing two semesters each year consisting of 15 credit hours per semester.

While enrolled in this approved program, a veteran would be paid based on the rate of pursuit as it relates to achieving the predetermined objective. For example, if the veteran were enrolled in 15 credit hours during the fall semester, full-time benefits would be paid for the semester, regardless of the scheduling of the courses. The issue of when the class meets -- that is, for example, condensed weekend sessions or monthly seminars -- would not be relevant. The controlling factor would be the rate at which the goal is pursued.

If a veteran is enrolled in an accelerated term, then the present formula for determining equivalency during an accelerated term would be used --

that is, the product of number of units multiplied by the number of weeks in the institution's standard term divided by the number of weeks in the accelerated term.

Pursuit of credit through a means other than a classroom setting would be limited to ten percent. In this case, up to 12 hours could be pursued through independent study or a self-paced course, for example, at any time during the course of the program.

For non-traditional courses exceeding the ten-percent limit as with other courses offered through a mode of instruction not involving a traditional classroom setting and regularly scheduled interaction with an instructor, an alternative payment would be available at the rate of 75 percent of the rate that would otherwise apply.

This pay structure would recognize that these courses -- approved by the State approving agency and for which a determination of "specified length" would be made -- require considerable effort on the part of the student and may be valid programs of educational pursuit. Unlike current law, it would recognize that programs consisting predominately of independent study may be paid on the basis of more than tuition and fees. At the same time, it takes into account that the vast majority of institutions limit in some fashion the amount of independent study that may be counted toward a degree.

In this connection, the Commission notes that current law, in one sense, treats independent study more favorably than do most of the colleges. A veteran enrolled in 12 credit hours of study in a semester, may pursue up to five credit hours through independent study. Over the course of eight semesters, 40 hours of credit can be so achieved -- more than most institutions would permit. But the veteran would never, for example, be permitted to enroll in a 12 credit-hour semester-long course involving a practicum or cooperative work arrangement while being paid full-time institutional benefits. Under the Commission's proposal, that 12 credit-hour course would be permitted and would be paid at the full-time rate if it did not exceed the 10-percent limitation.

The Commission's recommendation retains a tuition-and-fees approach to payments for less-than-half time training (with no cap on the benefits and with an appropriate charge to entitlement). The recommendation would also add to this category programs for which no specification of length can be made -- such as programs consisting entirely of self-paced learning.

In short, the procedure for determining measurement for payment purposes would be:

A. Is the course of study approved and what is its specified length?

B. At what rate is the veteran pursuing the goal of this course?

C. Is there a component involving instruction in a classroom setting with regularly scheduled interaction with an instructor?

D. Are there components not involving classroom instruction and regularly scheduled interaction that exceed 10 percent of the entire length of the course?

When determining payment, if the answers are "(A) yes, two years; (B) at this rate, the veteran would complete the course in four years; (C) yes; and (D) no" -- the veteran would receive benefits of $150 monthly, or the half-time rate (based on full-time benefits being $300 monthly). If the answers are "(A) yes, four years; (B) at this rate the veteran would complete the course in four years; (C) no; and (D) [not applicable] -- the veteran would receive benefits at the rate of $225 monthly, or 75 percent of the otherwise applicable full-time rate.

In making this recommendation, great reliance is placed on the role of State approving agencies and their responsibilities to make determinations. Emphasis must be placed on quality performance and professional development within the State approving agency system. The Commission notes that, while these recommendations were being considered, legislation has been enacted to enhance efforts toward those ends. Section 14 of Public Law 100-323 establishes new requirements for the Administrator and the State approving agencies to develop and implement quality-control procedures. The Commission strongly supports these efforts and views them as key, not only to this specific recommendation, but also to effective and efficient administration of the GI Bill in general.

Another effect of the Commission's recommendations would be that the current process of "approval by exception" and separate approval of certain types of programs would be modified. Currently, a State approving agency approves the courses listed in a school's catalog by stating, in essence, "the courses herein are approved except the courses appearing between certain pages which require separate approval. These courses shall not be construed as sanctioned as a result of this approval action." Courses which require specific or separate approval include work experience, practicums, internships, and independent study courses.

In practice, this means that an institution having a veteran seeking to enroll in one of these types of courses must obtain separate approval of the course. This often lengthy and always confusing procedure discourages many institutions from permitting GI Bill trainees to participate in these types of courses.

The Commission's recommendation would have the effect of modifying this requirement, as this type of training could be approved as a part of the program of education within the "specified-length" determination and consistent with the ten-percent limitation.

The Commission recognizes that this recommendation regarding measurement is a major departure from established methodology. Nevertheless, it is a means of resolving the issue using a sensible approach to meeting the needs of the veteran and the realities of the education community. The Commission believes it merits serious consideration.

MITIGATING CIRCUMSTANCES

ISSUE: Payment for courses from which a student withdraws and for which the student receives no grade used in computing the requirements for graduation.

BACKGROUND: Section 1780(a)(4) of title 38 provides that the Administrator may make no payment of educational assistance benefits to a student for a course for which the grade assigned is not used in computing requirements for graduation. By law, this exclusion includes courses from which the student withdraws unless the Administrator finds that there are mitigating circumstances.

In practice, the effect of this provision is most easily understood by example: A veteran is enrolled during the fall semester in the full-time pursuit of a program of education, carrying 12 credit hours. The semester runs from September 1 through December 10. On October 15, the veteran withdraws with a non-punitive grade -- typically a "W", "WP", "WF", or "I" -- from courses totalling six credit hours, thereby reducing the rate of pursuit to half-time.

At this point, the situation must be "developed for mitigating circumstances". Pursuant to VA regulations, the veteran has one year from the date of notification to submit in writing the circumstances of the withdrawal. If acceptable mitigating circumstances for having withdrawn from the course are submitted, the veteran's benefits are simply reduced from the full-time to the half-time rate, effective October 31, the end of the month in which the reduction took place. If the veteran fails to submit mitigating circumstances or if the circumstances submitted are not acceptable to the VA, an overpayment is established, retroactive to the beginning of the semester.

Mitigating circumstances are considered by the VA to be circumstances above and beyond the control of the veteran which "prevent the veteran or eligible person from pursuing the program of education continuously". The following non-inclusive listing of circumstances considered to be mitigating appears in 38 CFR 21.4136:

> (1) An illness of the veteran or other eligible person.
>
> (2) An illness or death in the veteran's or eligible person's family.
>
> (3) An unavoidable geographical transfer resulting from the veteran's or eligible person's employment.
>
> (4) An unavoidable change in the veteran's or eligible person's conditions of employment.
>
> (5) Immediate family or financial obligations beyond the control of the veteran or eligible person which require the suspension of pursuit of the program of education to obtain employment.
>
> (6) Discontinuance of a course by the school.
>
> (7) Unanticipated active duty military service, including active duty for training.

As noted in the discussion of the survey results obtained by the Commission, other examples of mitigating circumstances cited by institutions included jury duty and confinement in a penal institution.

An example of circumstances that the VA does not consider as mitigating are changes in child care arrangements.

RECOMMENDATIONS:

- Modify the "mitigating circumstances" policy to permit students to withdraw without penalty from a course or courses up to a specified limit with a non-punitive grade without producing mitigating circumstances for the withdrawal.

- Specify that "mitigating circumstances" may include child care difficulties.

In making these recommendations, the Commission has taken into account two VA reviews which documented the effect of the current policy in terms of creating overpayments. A February 1987 study by the VA's Office of Program Analysis and Evaluation found that 61 percent of the overpayments established under the chapter 34 educational assistance program were the result of non-punitive grades and the subsequent failure of the student to demonstrate that there had been mitigating circumstances. A March 1988 VA review of overpayments in the new chapter 30 program found that nearly 75 percent of overpayments are caused by failure to demonstrate mitigating circumstances.

The Commission is persuaded that many students enroll in courses which they may not complete for a wide variety of reasons, including inability to handle the course work, personal conflicts with the instructor, or general lack of interest or suitability. The alternative to withdrawing from the course with a non-punitive grade may often be the assignment of a failing grade. Ironically, GI Bill benefits may be paid with no penalty for a course in which a failing grade is received and the course may be repeated if required for graduation. On the other hand, unless mitigating circumstances are present, an overpayment is created for even one instance of a non-punitive grade.

Another troublesome aspect of this provision is the extent to which it inflates the number and amount of debts owed to the VA. The amount of educational benefits paid for a course in which a non-punitive grade was received results in a retroactive determination of a debt unless mitigating circumstances are found to have existed. Since the veteran has up to one year from the date of VA notification to submit mitigating circumstances, many of these debts may be eventually erased.

Finally, there is the hardship to the student who, unaware of the consequences of withdrawing from a course, drops a course without mitigating circumstances and incurs an overpayment. This overpayment is recouped from benefits otherwise payable during subsequent enrollments, leaving the student short on funds to pay tuition and fees at the beginning of the next term and frustrated in a serious attempt to use benefits to which entitlement has been established.

Based in part on the discussions of this Commission and the participation of its Ex Officio members, legislation to remedy the problem of mitigating circumstances is under consideration in the Senate. S. 2011, the proposed "Veterans' Benefits and Program Improvement Act of 1988", as reported from the Senate Veterans' Affairs Committee, would amend existing law to provide that mitigating circumstances would be considered by law to exist in the first instance of a student's withdrawal from a course or courses to the extent that the withdrawal does not exceed 6 semester hours or the equivalent thereof of credit.

On May 25, during legislative hearings, the VA testified in support of this approach. Therefore, it appears that some sort of resolution of this issue may be imminent.

The Commission strongly supports provisions that would require the VA, following application of the proposed six-hour forgiveness rule, to notify the student of the consequences and procedures for future incidences of non-punitive grades being assigned.

Consistent with other recommendations related to standardization and the distinctions in the treatment of degree and non-degree training, the Commission stresses that this recommendation should apply to all types of training.

PUBLICATIONS

ISSUE: Availability of up-to-date information on educational assistance benefits.

BACKGROUND: Although the VA is responsible for administering more than ten educational assistance benefit programs, no effective means of communication exists between the VA and the education community.

The laws setting forth these programs encompass more than a hundred pages of title 38. Regulations to implement these laws consume hundreds more. The circulars and manuals interpreting the regulations are thousands of pages long. Virtually none of this material is written in layman's terms. Even the index to the provisions of title 38 requires enormous concentration and patience to understand and is virtually useless.

RECOMMENDATIONS:

- Make available on a regular basis up-to-date publications such as newsletters and manuals designed to assist institutions in administering benefits.

- Rewrite the chapters of title 38, USC, pertaining to educational assistance programs (and as necessary other provisions of law) to provide for better organization, clarity, readability, and understanding (particularly in view of the termination of the chapter 34 program on December 31, 1989).

From time to time, the VA, with the cooperation of the Department of Defense and the American Association of Collegiate Registrars and Admissions Officials (AACRAO), publishes a guidebook entitled Certification of Students under Veterans' Laws. This publication contains information for certifying officials and other advisors of veterans, servicepersons, survivors, and dependents with respect to the administration of educational assistance programs. It is written in clear, concise, non-bureaucratic English with specific examples of how to complete VA forms and paperwork. It is replete with information on basic eligibility requirements, application procedures, and the certification process.

For primarily budgetary reasons, this manual has not been reissued since 1984. Many institutions responding to the Commission's survey and, indeed, officials of AACRAO themselves, have stressed the need for an updated manual to assist them in dealing with these increasingly complicated programs.

The Commission urges that the VA make reissuance of this manual a priority. It has learned that revision efforts are underway, and commends the VA for that initiative. Republication of this manual at the earliest possible opportunity, particularly to reflect the enactment of the Montgomery GI Bill and the addition of the chapters 30 and 106 programs is imperative. Furthermore, the updating of this manual on a continuing basis should be made a priority. An annual (or otherwise as appropriate) tearsheet format could be used for this purpose.

In addition, as evidenced by responses to the Commission's survey, the VA needs to take action to keep colleges and schools regularly updated and informed on issues regarding to education programs, including legislative initiatives, promulgation of new regulations, and topical issues of interest. Previous attempts to publish newsletters and similar bulletins have not been successful for a variety of reasons and have been particularly frustrated by funding difficulties and the inability to publish in a timely and regular fashion.

The Commission recognizes that the costs involved in the publication of newsletters and bulletins on a national basis are substantial. Under current policy, such publications are contracted out through the Government Printing Office and additional charges are assessed for the distribution of materials. In at least a few instances, regional offices have initiated their own newsletters for schools in order to fill the void at the national level.

One avenue that might be explored is the development of a subscription approach to a newsletter, asking the subscribing colleges and schools to help defray the costs of production and distribution. The Commission notes that there are several precedents in other Federal agencies for such a proposal, e.g., monthly data on employment and unemployment statistics are provided to subscribers at a cost by the Bureau of Labor Statistics. Another possibility might be the withholding of a portion of the reporting fee as discussed later in this report.

At present, distribution of materials to educational institutions is largely the responsibility of the individual regional offices, including reproducing and distributing copies of circulars and other necessary materials. Since these materials may frequently be distributed to all institutions regardless of their applicability, it is possible that a school's veterans' affairs office could accumulate a mountain of impossibly complicated and unnecessarily confusing material in a very short period of time. Regular publication of a newsletter or bulletin that translates this material into easily understood English would not only assist schools in fulfilling their responsibilities but could foster a more communicative relationship between the education community and the VA.

Finally, with respect to title 38 generally, the Commission notes the general unworkability of the Code in terms of organization, clarity, and readability. With the expiration of the current chapter 34 program on December 31, 1989, it is imperative that extensive revisions in the Code be made to incorporate various cross references into the remaining operative chapters. The Commission recommends that Congress undertake a complete restructuring of these provisions of law.

The last attempt to structure the law in some organized fashion was in the late 1960's when all programmatic provisions were incorporated into chapters 34 and 35 and all administrative provisions into chapter 36. Since then, the lines have been considerably blurred and consolidation is now badly needed.

Following is an example of a provision of title 38 (section 1413(a)(2)), which deals with the duration of basic educational assistance for certain chapter 30 eligibles, which is virtually impossible to read and understand:

> (2) In the case of an individual described in section 1411(a)(1)(A)(ii)(I) of this title who is not also described in section 1411(a)(1)(A)(i) of this title or an individual described in section 1411(a)(1)(B)(ii)(I) of this title who is not also described in section 1411(a)(1)(B)(i) of this title, the individual is entitled to one month of educational assistance benefits under this chapter for each month of active duty served by such individual after the date of the beginning of the period for which the individual's basic pay is reduced under section 1411(b) of this title, in the case of an individual described in section 1411(a)(1)(A)(ii)(I) of this title, or after June 30, 1985, in the case of an individual described in section 1411(a)(1)(B)(ii)(I) of this title.

The Commission recognizes that the task of rewriting provisions of law is not an easy one, but believes strongly that this must be made a priority.

REMEDIAL, DEFICIENCY, AND REFRESHER TRAINING

ISSUE: GI Bill benefits for remedial, deficiency, and refresher training.

BACKGROUND: Under the current authorities for the chapter 30 and the chapter 106 programs, and under the sections 901 and 903 programs, GI Bill benefits are not available for remedial, deficiency, or refresher training, but not on a uniform basis. Under the chapters 32, 34, and 35 programs, benefits may be used for these types of training. In the case of benefits to veterans training under chapter 34 and to spouses under chapter 35, benefits for remedial and deficiency training are paid without charge to entitlement. In the case of veterans training under chapter 32, servicepersons under chapter 34, and children under chapter 35, entitlement is charged.

Remedial and deficiency courses are typically intended to assist individuals in overcoming weaknesses in particular areas of study at the secondary school level. Often, institutions will require the completion of certain deficiency courses without granting credit toward graduation for their completion. Further, it is recognized that persons entering active duty may experience a "lost opportunity" as institutional entrance requirements expand.

Refresher training available to veterans under chapter 34 is intended to enable individuals to update skills and knowledge previously acquired either before or during their period of active duty. These courses are particularly crucial in areas where technological advances are rapid and frequent.

RECOMMENDATIONS:

- Make GI Bill benefits available for remedial, deficiency, and refresher training under all of the various educational assistance programs, including the programs established by the Hostage Relief Act (HRA) and the Omnibus Diplomatic Security Antiterrorism Act, as well as the chapters 30 and 106 and sections 901 and 903 programs.

- Resolve the issue of the charge to entitlement for this type of training in a consistent manner. Based on the precedent established by the chapter 34 program, the Commission believes that there should be no charge to entitlement for benefits paid for this pursuit.

- If a nine-month limitation on refresher training is incorporated in the Montgomery GI Bill programs, an identical limitation should be added to the other chapters for consistency.

As this report is submitted, the Commission notes that legislation addressing this issue has been approved by the House Veterans' Affairs Committee and has been ordered reported from the House Armed Services Committee. H.R. 4213, the proposed "Montgemery GI Bill Amendments of 1988", would authorize benefits for remedial, deficiency, and refresher training under chapters 30 and 106 with an appropriate charge to entitlement. Refresher training would, under the proposal, be limited to a maximum of the equivalent of nine months of full-time benefits.

Under the VA's current policy, a certification as to the need for a specific remedial or deficiency course must be submitted to the VA by the institution administering the program the student is preparing to enter or to which the student has applied for admission. Basic English language or mathematics courses are authorized only when the need for the training has been established by accepted testing methods. The Commission's recommendation entails no modification of this procedure.

REPORTING FEES

ISSUE: Increase in the reporting fee paid to educational institutions and training establishments.

BACKGROUND: Under current section 1784(c) of title 38, the VA annually pays a "reporting fee" to educational institutions and training establishments. This fee is intended to help defray the costs of processing various reports and certifications required to be submitted to the VA and is in lieu of any other compensation or reimbursement. The annual fee is computed by multiplying $7 by the number of VA beneficiaries training under chapters 30, 32, 34, 35, 36, or 106 (or $11 in the case of individuals on whose behalf an advance payment of benefits is delivered to the institution) enrolled at the institution or establishment generally on October 31. If the October date is not representative of the period of peak veteran enrollment, another date for the computation may be established.

From time to time, the amount of this reporting fee has been increased by law. However, the increases have not been as frequent as increases in GI Bill benefits nor have they fully reflected the increased administrative costs borne by the institutions and establishments. The last increase (from $5 to $7 and from $6 to $11) was made by Public Law 95-202 and became effective on October 1, 1977.

The Commission's survey of institutions and its discussions with college administrators pointed out the need to increase the reporting fee in order to help offset the growing costs incurred by institutions in doing business with the VA. The Commission noted that, under other programs of Federal assistance for education, institutions may use a portion of the grant or receive other administrative resources to help defray their costs.

The Commission discussed doubling the amount of the VA reporting fee or, in the alternative, paying the current fee twice a year rather than once, and considered including in the calculations veterans enrolled in training under the chapter 31 vocational rehabilitation program. Finally, the Commission looked at the advisability of adopting a floor for the fee but was advised by the VA that the administrative costs of such a limitation were prohibitive.

Ultimately, the Commission has developed the following recommendation which represents an easily administered approach to the problem.

RECOMMENDATIONS:

- Increase the amount of reporting fees paid on an annual basis.

- Provide that the amount of the fee be based on a scale, rather than a head count. For example, schools who have 5 or fewer eligibles enrolled would be paid "X", schools with 6 to 25 eligibles enrolled would be paid "Y", and so forth.

- Include chapter 31 trainees in the count of those on whose behalf the fee is paid.

The following chart illustrates one manner in which a scale might be structured and a hypothetical cost comparison to a double-fee approach:

# of Vets	$7	$11	$7 x 2	$11 x 2	Proposal
1	$7	$11	$14	$22	$75
3	$21	$33	$42	$66	$75
5	$35	$55	$70	$110	$75
7	$49	$77	$98	$154	$375
10	$70	$110	$140	$220	$375
13	$91	$143	$182	$286	$375
17	$119	$187	$238	$374	$375
21	$147	$231	$294	$462	$375
25	$175	$275	$350	$550	$375
32	$224	$352	$448	$704	$750
37	$259	$407	$518	$814	$750
45	$315	$495	$630	$990	$750
50	$350	$550	$700	$1,100	$750
62	$434	$682	$868	$1,364	$1,500
77	$539	$847	$1,078	$1,694	$1,500
82	$574	$902	$1,148	$1,804	$1,500
98	$686	$1,078	$1,372	$2,156	$1,500
102	$714	$1,122	$1,428	$2,244	$1,500
134	$938	$1,474	$1,876	$2,948	$1,500
157	$1,099	$1,727	$2,198	$3,454	$3,000
182	$1,274	$2,002	$2,548	$4,004	$3,000
203	$1,421	$2,233	$2,842	$4,466	$3,000
246	$1,722	$2,706	$3,444	$5,412	$3,000
295	$2,065	$3,245	$4,130	$6,490	$4,500
321	$2,247	$3,531	$4,494	$7,062	$4,500
2,225	$15,575	$24,475	$31,150	$48,950	$36,475

The Commission believes that, in addition to providing for a justified increase in the reporting fee, the advantages of this scale approach are several. First, institutions and training establishments would receive payments that would include the number of chapter 31 trainees enrolled. These service-connected disabled veterans frequently require the provision of services and assistance by the institution above and beyond those usually provided other veteran-students.

Second, the scale would greatly decrease the possibility of labor-intensive exercises by both the school and the VA to determine the accuracy of the head count. The Commission was concerned by reports that it is not unusual for an institution to report that, for example, it had been paid for only 105 veterans when it should have been paid for 107. The number of staff hours involved in resolving such situations -- particularly when in this example the ultimate result under the current rate schedule would be the issuance of a check in the maximum amount of $22 -- could only be exacerbated by simply increasing, doubling, or requiring more frequent payment of the fees. The scale approach the Commission is recommending would largely eliminate this problem.

Finally, this approach would assure that all institutions receive a payment of some substance -- including those who have only a few veterans enrolled. The Commission sees little purpose in even processing payments of $7 to any institution.

Although this approach would also eliminate the distinction made in the amount paid to institutions receiving advance payments of GI Bill benefits, the purpose of the current differentiation appears to have been to reflect the additional costs incurred by participating schools. It is generally in an institution's interest to participate in the advance payment program, as it helps ensure that the institution is paid promptly by the student. Making a substantial increase in the amount of the fee as proposed by the Commission would mitigate any negative effects of removing the advance pay distinction.

In connection with this recommendation, the Commission notes that increasing the reporting fee might also provide an opportunity for the VA to initiate a practice of withholding, unless otherwise instructed by the institution, of some portion of the reporting fee to defray the subscription costs of publication and distribution of up-to-date and timely materials relating to VA educational assistance programs.

RESTORATION OF PAY REDUCTIONS UNDER CERTAIN CIRCUMSTANCES

ISSUE: Restoration of chapter 30 pay reductions.

BACKGROUND: Under the chapter 30 program, a servicemember who does not make an affirmative election to not participate in the educational assistance program has the rate of basic military pay reduced by $100 a month for the first 12 months of the initial period of active-duty service.

The amount of the pay reduction is returned to the Treasury and is not considered as pay for the purposes of income tax. The Congressional intent is clear and well-established that this pay reduction is by no means a "contribution" as is the case under the chapter 32 VEAP program.

Current law precludes the restoration of any portion of this military pay reduction.

RECOMMENDATION:

- Permit the restoration of pay reductions as a death benefit and in certain other limited situations.

Specifically, the restoration of pay reductions in the cases of individuals who die while on active duty is justified. The survivors of those persons dying while in the service should be entitled to receive these funds since the deceased servicemember will never have an opportunity to use the benefits.

The Commission also believes that restoration of pay reductions to an individual who dies within some specified time period after leaving service may be justified, if the individual has not received benefits in an amount equal to the pay reduction.

There are other situations in which the restoration of this pay reduction or other appropriate remedy appears justified. The Commission supports legislation to deal with situations such as the case of an individual who incurs a service-connected disability while on active duty and who thereby establishes entitlement to the chapter 31 program of vocational rehabilitation for service-connected disabled veterans, or the case of an individual who fails to complete the required period of active duty as a result of a medical condition which may have existed prior to entering the service.

The Commission wishes to express its support for legislation which has been approved by the House Veterans' Affairs Committee and ordered reported from the House Armed Services Committee. H.R. 4213, the proposed "Montgomery GI Bill Amendments of 1988", as ordered reported with an amendment, would permit the restoration of the pay reduction in cases of death or catastrophic disability occurring on active duty.

ROLE OF CONTINUING EDUCATION

ISSUE: The role of continuing education courses in relation to GI Bill benefits.

BACKGROUND: Among the specific charges to the Commission is consideration of the role of continuing education courses within the GI Bill. The Commission defined these to be courses in which continuing education units (CEU's), as opposed to credits, are earned.

Continuing education courses are tremendously varied in nature and scope. Some may be designed to offer education to assist in maintaining or enhancing job skills -- such as a week-long seminar in advances in veterinary medicine. Other courses may assist individuals in attaining specific knowledge necessary to pass an examination -- for example, a review course in real estate principles and State licensure requirements. Still others may offer experience for those wishing to explore new endeavors -- perhaps a series of sessions on how to establish a successful small business. Some courses may be offered in conjunction with business initiatives or travel opportunities -- a three-day meeting held by economists to explain new Congressional budget cycles to lobbyists or a week-end cruise to the Caribbean which offers intensive courses in stress management and personal-time budgeting.

Typically, continuing education courses are short in duration and are offered at times and locations designed to attract the widest possible community participation.

RECOMMENDATION:

- Approval of continuing education courses be made consistent with the stated principle of the GI Bill that programs of education must lead to an educational, vocational, or professional goal.

Absent any indication from the Congress that elimination of this stated purpose of the GI Bill will be forthcoming, the Commission can find no grounds for recommending that any courses be approved for the purposes of GI Bill benefits if they do not meet this time-tested criterion. This purpose has been central to the philosophy of the GI Bill for well over 40 years and continues to be critical in ensuring that these valuable benefits are used to assist a veteran in obtaining an education or training and are not used for avocational or recreational purposes.

In making this recommendation, the Commission is in no way suggesting that continuing education courses are not valuable or legitimate programs of study. Neither is the Commission implying that there are not some courses that may be appropriately approved for GI Bill benefits. Rather, it is simply recommending that there be no diversion from the stated principle of pursuit of a goal or objective in order to accommodate these or any other types of courses.

STANDARDIZATION

ISSUE: Inconsistencies among the various educational assistance programs.

BACKGROUND: There are ten separate and distinct programs of educational assistance for which the VA has administrative responsibility, including the VA's chapter 31 program of vocational rehabilitation for service-connected disabled veterans. There is a multitude of differences -- both structural and administrative -- in these programs. The chart that follows this discussion, which was prepared by Marvin Diamond, Chief, Policy Staff of the VA's Vocational Rehabilitation and Education Service, for the Commission, shows some of the major differences.

In addition to these more obvious differences, there are dozens of smaller distinctions. For example, under the chapter 35 program, the delimiting date of an eligible person may, under certain circumstances, be extended until the end of a term, quarter, or semester, but the amount of the individual's entitlement may not. Under the chapter 34 program, the amount of a veteran's entitlement may be extended until the end of the term, quarter, or semester, but the delimiting date may not.

Some differences between the programs are inherent in their design. For example, the payroll reduction feature of the chapter 30 program and the contributory-matching aspects of chapter 32 reflect the fact that these programs were established for the peacetime All-Volunteer Force and thus require an investment on the part of participants. The honorable-discharge and high-school-diploma requirements of chapter 30 are there to assist the services in recruiting and retaining a highly-qualified military force.

Nevertheless, there are many instances, such as the one discussed above, where the differences appear to serve little, if any, purpose. In each case, the inconsistencies make the administration of the benefits more complex and inequitable.

RECOMMENDATION:

- Standardize the different features of the various veterans' education programs to the maximum extent possible, consistent with their design and purpose.

A number of the major differences between the various chapters, such as the varying treatment of refresher training and the work-study program, are discussed in separate sections of this report. The Commission has not attempted to identify and catalog all the inconsistencies because many arise in the day-to-day administration of benefits and may be known only by a handful of those responsible for delivering benefits.

In order to compile an accurate and reasonably complete listing of the differences, the Commission suggests that consideration be given to setting up a "mini-task force" of VA adjudicators and education liaison representatives from VA regional offices charged with identifying --

without regard to legislative intent or legal interpretation -- all the inconsistencies. These individuals are those most familiar with all the administrative fine-tunings of the various programs and are in the best position to identify them most easily. This task force need not be long-term or expansive; a well-prepared, week-long brainstorming session might be sufficient.

Once this listing is compiled, the various inconsistencies -- both legislative and administrative in nature -- should be standardized to the maximum extent possible consistent with the design and purpose of the individual programs.

The Commission notes that this undertaking would be particularly appropriate to pursue in connection with the rewrite of the title 38 authorities discussed previously in another section of this report.

Further, when future legislative initiatives dealing with educational assistance benefits are under consideration, the Commission urges that Congress examine each proposal with an eye towards consistency. There may be merit for incorporating into the legislative history of any proposal a discussion of the manner in which the consistency issue is addressed.

COMPARISON OF EDUCATION BENEFITS

	Chap 30	Chap 32	Chap 34	Chap 35	Chap 106	Sec 901	Sec 903	Hostage Relief Act (HRA)	Omnibus Diplomatic Security Antiterroism Act (ODSAA)
Eligibility	2 yrs. active duty + 4 yrs. reserves; 3 yrs. active duty; or 2 yrs. active duty	181 days active duty if enlisted before 9/8/80; 24 mos. active duty thereafter	181 days active duty	Veteran's death or P&T disability result of service	180 days + completion of initial active duty for training + reserve training	24 mos. active duty	Enlistees 24 mos.; Reenlistees-181 days	Hostage between 11/4/79-1/21/81	Captive 90 days or more after 1/21/81
Participant's Payment	$100/12 mos.	$25-$100 per mo. up to $2700; Lump sum payment permitted	N/A	N/A	N/A	N/A	Paid by DOD	N/A	N/A
Refund Of Contributions	No	Yes	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Delimiting Date	10 yrs. after discharge	10 yrs. after discharge	10 yrs. after discharge	Spouse: 10 yrs. from date of s/c death of veteran or date VA determined death is s/c, whichever later; Child: Age 26 up to 31 (under certain conditions)	10 yrs. from date 1st entitled, or separation from reserves, whichever earlier	10 yrs. after discharge	10 yrs. after discharge	10 yrs. after release of hostages	10 yrs. after release
Disability Extension to Delimiting Period	Yes	Yes	Yes	Spouse: yes; Child: no	Yes	No	Veteran: yes; Transferee: no Child: no	Ex-Hostage: yes; Spouse: yes; Child: no	Ex-Hostge: yes; Spouse: yes;

	Chap 30	Chap 32	Chap 34	Chap	Chap 106	Sec 901	Sec 903	HRA	DDS
Entitlement Extension	N/A	N/A	N/A	Spouse: yes; Child: yes	N/A	N/A	N/A	Ex-Hostage: no; Spouse: yes; Child: yes	Ex-Hostage: no; Spouse: yes; Child: yes
Transfer Of Eligibility	No	No	No	No	No	Yes	Yes	No	No
Type Of Discharge To Beneficiary	Honorable	Other than dishonorable	Other than dishonorable	Spouse: N/A Child: when aaplicable, other than dishonorable	N/A	Under honorable conditions	Other than dishonorable	N/A	N/A
VA Determination Of Character Of Discharge	No	Yes	Yes	Spouse: N/A Child: yes	N/A	No	Yes	N/A	N/A
Buy-Out At First Discharge	No	No	No	No	No	Yes	No	No	No
Inservice Requirement	After 2 yrs active duty	181 days to attend high school Complete 1st obligated period of active duty or 6 yrs for all other courses	181 days	No	N/A	After 2 yrs active duty	181 days to attend high school Complete 1st obligated period of active duty or 6 yrs for all other courses	No	No
Maximum Entitlement	36 mos.	36 mos.	45 mos.	45 mos.	36 mos.	36 mos.	36 mos.	45 mos.	45 mos.
NCD Training	Yes	Yes	Yes	Yes	Yes if taken at an IHL	Yes (Only accredited schools)	Yes	Yes	Yes
Remedial, Deficiency & Refresher Training	No	Yes, with entitlement charge	Veteran: yes, without entitlement charge; Inservice: yes with entitlement charge	Spouse: yes, without entitlement charge; Child: yes with entitlement charge	No	No	No	Ex-Hostage: yes; Spouse: yes; Child: yes with entitlement charge	Ex-Hostage: yes; Spouse: yes; Child: yes with entitlement charge
Farm Coop Training	No	No	Yes	Yes	No	No	No	Yes	Yes
Coop Training	No	No	Yes	Yes	No	No	No	Yes	Yes

	Chap 30	Chap 32	Chap 34	Chap 35	Chap 106	Sec 901	Sec 903	HRA	ODSAA
Vocational Flight Training	No	Yes, if enrolled on 8/31/81 No, after 9/30/81	Yes, if enrolled on 8/31/81 No, after 9/30/81	No	No	No	No	No	No
Six-Month Refresher Training	No	No	Yes	No	No	No	No	No	No
Special Restorative Training	None	None	None	Spouse: no Child: yes	None	None	None	Ex-Hostage: no; Spouse: no; Child: yes	Ex-Hostage: no; Spouse: no; Child: yes
Specialized Vocational Training	None	None	None	Yes	None	None	None	Yes	Yes
Foreign IHL Training	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Measurement Difference Accredited/ Nonaccredited Courses	Yes	Yes	Yes	Yes	Yes	Only at accredited school	Yes	Yes	Yes
Change of Program	Yes-1 optional; Additional with VA approval	Yes-1 optional; Additional with VA approval	Yes-1 optional; Additional with VA approval	Spouse: yes-1 optional; Additional Child: with VA approval	Yes-1 optional; Additional with VA approval	Yes-without limitation	Yes-1 optional; Additional with VA approval	Yes-1 optional; Additional with VA approval	Yes-1 optional; Additional with VA approval
Independent Study	Yes - payment limited to less than 1/2 time	Yes - payment limited to 1/4 time	Yes - payment limited to less than 1/2 time	Yes - payment limited to less than 1/2 time	Yes, if some resident training pursued	No	Yes - payment limited to less than 1/2 time	Yes - payment limited to less than 1/2 time	Yes payment limited to less than 1/2 time
Benefits for Inservice Student	Benefit payable upon completion of specified period of service	Benefit payable upon completion of specified period of service	Benefit based upon tuition & fees of specified period of service	None	None	Regular benefit payable	Benefit payable upon completion of specified period of service	None	None
Incarcerated Beneficiary	Benefits reduced	Benefits paid	Benefits reduced	Benefits reduced	Benefits reduced	Benefits paid	Benefits paid	Benefits reduced	Benefits reduced
Elementary & High School	No	Yes	Yes	Spouse: yes; Child: no	No	No	Yes	Ex-Hostage: yes; Spouse: yes; Child: no	Ex-Hostage: yes: Spouse: yes; Child: no

	Chap 30	Chap 32	Chap 34	Chap	Chap 106	Sec 901	Sec 903	HHA	ODS.
Entitlement Charge for Elementary & High School	N/A	Veteran & enlisted person: no (tuition & fees); yes-educational assistance allowance	Veteran: no-(tuition & fees); Veteran: yes-educational assistance allowance; Serviceperson: no	Spouse: no (tuition & fees); yes-educational allowance Child: n/a	N/A	N/A	Veteran & enlisted person: no (tuition & fees); yes-educational assistance allowance	Ex-Hostage: no (tuition & fees); Spouse: no (tuition & fees); yes-educational allowance; Child: n/a	Ex-Hostage: no (tuition & fees); Spouse: no (tuition & fees); yes-educational allowance; Child: n/a
OJT/Apprenticeship Rate	75%-1st 6 mos.; 55%-2nd 6 mos.; 35%-remaining mos.	75%-1st 6 mos.; 55%-2nd 6 mos.; 35%-remaining mos.	Full-time rate reduced every 6 mos. for initial 18 mos.	Full-time rate reduced every 6 mos. for initial 18 mos.	No	No	75%-1st 6 mos.; 55%-2nd 6 mos.; 35%-remaining mos.	Full-time rate reduced every 6 mos. for initial 18 mos.	Full-time rate reduced every 6 mos. for initial 18 mos.
Correspondence Training	Reimbursed 55%	Reimbersed 100%	Reimbursed 55%	Spouse: reimbursed 55%; Child: n/a	No	No	Reimbursed 100%	Ex-Hostage: reimbursed 55%; Spouse: 55%; Child: n/a	Ex-Hostage: reimbursed 55%; Spouse: 55%; Child: n/a
Dependents Allowance	None; 34/30: yes after 1/1/90	No	Yes	No	No	Yes	No	No	No
Work Study	Yes	Yes	Yes	No	No	No	Veteran: yes; transferee: no	No	No
Tutorial Assistance	No	No	Yes	Yes	No	No	No	Yes	Yes
Education Loans	No	No	Yes-limited to loans for flight training (reimbursed at 60%) & 1st 2 yrs after expiration of delimiting period	Yes: spouse 1st 2 yrs after expiration of delimiting period Child: n/a	No	No	No	No	No
NCD Absence	Yes	Yes	Yes	Yes	Yes	N/A	Yes	Yes	Yes
Verification of Pursuit at End of Enrollment	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes

	Chap 30	Chap 32	Chap 34	Chap 35	Chap 106	Sec 901	Sec 903	HRA	ODSAA
Monthly Verification of Enrollment	Yes	No	No	No	No	No	No	No	No
Advance Pay	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
Concurrent Pay Under Other Federal Programs	No	No	No	No	No	Yes	No	No	No
Vocational Counseling	Upon request	Upon request	Upon request	Upon request	Upon request	No	Upon request	Upon request	Upon request

TRAINING AND ASSOCIATED ADMINISTRATIVE RESOURCES

ISSUE: Well-trained, well-informed participants in the benefits delivery system with adequate resources to perform required responsibilities.

BACKGROUND: Without exception, the single biggest area of concern the Commission discovered as a result of its surveys and other discussions was the need for training and resources necessary to conduct the program together with improved communications, timeliness, and responsiveness.

Review of the survey overview portion of this report makes clear the nature of the problems in this area.

RECOMMENDATIONS:

- Sufficient resources be made available to carry out regular training sessions of all those involved in the administration of GI Bill benefits.

- Enhanced computer capabilities (with emphasis on an on-line facilities file) be made a priority within the VA.

- Staffing and other resource allocation decisions take into account the reality of an increasing educational assistance caseload.

- o VA work-measurement criteria reflect the non-paper aspect of the administration of benefits, the need to enhance morale, and the provision of personal attention.

Training is a critical aspect of improving the administration of GI Bill benefits. It is badly needed at all levels, and the VA must be given and make available the resources necessary to carry out training activities on a continuing and regular basis. The training must address the needs of those at every level of the benefits delivery system: the State approving agencies, the schools and training establishments, National Guard and reserve units, and VA employees themselves.

The Commission's recommendation for a consolidated-region approach, if adopted, would greatly simplify the training for VA employees by centralizing the majority of those for whom training is made available. In contrast, it makes somewhat more difficult the training of individuals administering GI Bill programs at some distance away from the "processing centers". In these cases, the role of the education ombudsman is vital.

Regardless of what administrative structure evolves, however, the VA must as a matter of policy encourage and provide the travel and other resources necessary to reach out to those responsible for administering various aspects of the GI Bill. To do any less is short-sighted and counterproductive. Most individuals involved in administering GI Bill programs want to do the job well and right. Failure to train these individuals in all aspects of the program and the rules, regulations, policies and procedures, result in avoidable error, unnecessary delays, and frustrations.

The Commission suggests that the VA be as innovative, bold, and imaginative as possible in the manner in which these training and liaison activities are conducted. For example, the availability of a low-budget videotape of how the system operates and how an application is adjudicated could assist school officials in understanding their administrative duties. Likewise, a videotape of an actual training session for institutions could be made available to those unable to attend or for those geographically distant. Holding regular -- and if appropriate, evening -- open-house-type events at regional offices could provide an opportunity for first-hand learning.

Involvement of experienced school officials in the training initiatives is equally critical. These are the individuals who know first hand the frustrations faced at that level, and many would be eager and willing to share their experiences and expertise with others. Identification of "model institutions" in various regions to which other institutions could be referred for assistance, particularly in the case of new school personnel, is another avenue that might prove valuable.

All on-site visits -- whether it be by a compliance survey specialist or the State approving agency to an institution or by a VA central office audit team to a regional office or by an ELR or a VBC to a local guard meeting -- should offer an opportunity for training in some fashion or another.

Enhanced computer capabilities must be a priority for the VA's education programs. Currently, as an example, institutions receive a monthly computer-generated listing of individuals enrolled in training under chapters 34 and 35. However, no such "pay-cycle" listing is made available for chapter 30, 31, 32, or 106. This listing is an important tool for the institution in fulfilling its responsibilities under the GI Bill program. The Commission understands that efforts to generate a consolidated enrollment report are underway and heartily supports this initiative.

Perhaps even more serious is the lack of an on-line facilities file and of information made available to the regional offices on those in training under chapters 30 and 106 within their area of jurisdiction. A compliance specialist conducting a survey of an institution must manually generate and retrieve through St. Louis the required sample of trainee files for the survey -- a time-consuming, labor-intensive exercise.

During its field trips, a number of members of the Commission had the opportunity to see the operation of the VA's new optical disk computer system. This new system, currently being evaluated for its applicability to the VA, holds the potential for greatly enhanced efficiency. Paper records should no longer be misplaced, many individuals would have access to a record at any given moment without the need to be in the same room, and claims could be processed rapidly without moving mountains of paper. The Commission urges that a priority be placed on the continued evaluation and implementation of this and other systems designed to speed and facilitate the delivery of benefits to veterans.

It is both disturbing and frustrating that the VA has not been able to make the capital investment required to modernize completely and effectively its computer capacity as a result of the government-wide policy that requires that the costs involved be offset by nearly immediate comparable savings. This policy must be carefully reviewed. Investments in this area must be contemplated in terms of their long range costs and savings in productivity.

With respect to the VA's work-measurement criteria, the Commission is concerned that the VA weights the "paper-pushing" aspect of the administration of benefits too heavily, rather than the need to provide the personal touch which might in many cases facilitate speedy and more responsive service. In addition, in many cases the current system aggravates morale problems within the VA. For example, under a system where performance is measured on the number of cases adjudicated in a day, there is a disincentive for the adjudicator to attempt to resolve a question over the phone. If the school certifying official is unavailable or is unable to respond immediately when the adjudicator first calls, at least one follow-up call is necessary. It is more advantageous for the adjudicator to send the case to the typing pool to generate a letter asking for the necessary information -- a time-consuming result that adds to the delay.

Likewise, when performance is based on the number of phone calls answered in a day, there is little incentive for a VBC to spend time with a school counselor who may have questions or problems with ten individual veteran cases. This is compounded by the fact that, in most cases, the VBC who answers calls in the phone unit is not the individual who has responsibility for ultimately getting back to the caller. If the question or problem demands anything more than the simplest of responses, the caller is told "someone will get back to you"; the VBC can only write up the specifics and put it in the system. Beyond the obvious frustration for the caller, the effect on morale within the VA is readily evident.

The administrative problems associated with telephone communications might be addressed in a number of ways. For instance, an "education hot-line" capacity might be installed in each regional office with responsibility for both incoming and outgoing communications. In most cases, staffing of this capacity on a full-time basis in each of the 58 regional offices would not be cost-effective. (The Commission notes, however, that in the case of the consolidated-region processing centers, as well as in the current chapter 30 delivery structure, it would be justified.) Another, albeit a considerably more sophisticated approach that might not be applicable in all cases, would be the use of electronic mail -- another example of how enhanced computer capabilities could be used.

While this recommendation may seem minor to some, it reflects the Commission's concern that improvements in communications among those with responsibilities for the program would significantly ease administrative problems for all concerned and clearly serve the best interests of the veteran.

TWO-YEAR RULE, STANDARDS OF PROGRESS AND THE "85-15 RULE"

ISSUE: Retention of provisions of law and regulations designed to discourage misuse or abuse of educational assistance benefits.

BACKGROUND: Throughout the forty-plus years of the various GI Bills, many stipulations have been incorporated into law to foster efficient management and effective use of these important educational assistance benefits. These various provisions were often enacted in response to some abuse or misuse of benefits that had been identified.

Three such provisions on which the Commission has focused are the two-year rule, standards of progress criteria, and the so-called "85-15 Rule".

Two-Year Rule: Section 1789 of title 38 prohibits the Administrator from approving the enrollment of veterans and other eligible persons in courses that have not been in operation for at least two years. By law, this prohibition does not apply to the following:

> (1) Courses offered in a public or other tax-supported educational institution.
>
> (2) Courses offered by an educational institution which has been in operation for more than two years if the course is similar in character to the instruction previously given by the institution.
>
> (3) Courses offered by an institution for a period of more than two years despite the fact that the institution has moved to another location within the same general locality

or has made a complete move with substantially the same faculty, curricula, and students, without change in ownership.

(4) Courses offered by a nonprofit educational institution of college level and recognized for credit toward a standard college degree.

(5) Courses offered by a proprietary nonprofit educational institution that qualifies to carry out an approved program of education under the authority in title 38 for special assistance for educationally disadvantaged veterans if the institution has been in operation for more than two years.

(6) Courses offered by an educational institution under contract with the Department of Defense that are given on or near a military base and available only to active duty military personnel and their dependents.

By law, the two-year rule does apply to courses offered by a branch or extension of --

(1) A public or other tax-supported institution where the branch or extension is located outside of the area of the taxing jurisdiction providing support to such institution.

(2) A proprietary profit or proprietary nonprofit educational institution where the branch or extension is located beyond the normal communing distance of the institution.

The law gives the Administrator the ability to waive these requirements if it is determined to be in the best interest of the veteran and the Federal government.

Standards of Progress Criteria: The standards of progress criteria, as they have evolved over time and are now represented in sections 1674, 1775, and 1776 of title 38, require first that institutions seeking to be approved for the enrollment of VA students demonstrate that adequate records are kept to show the educational progress of each eligible veteran or person. The catalog or bulletin certified by the State approving agency and submitted to the VA must specifically state the progress requirements for graduation. The Administrator, pursuant to section 1674, is required to discontinue benefits if, at any time, the individual's conduct or progress is unsatisfactory under the regularly prescribed standards and practices of the educational institution.

This requirement was prompted by the realization that it was possible for recipients of VA assistance to receive benefits for semester after semester of failing grades without making progress toward an educational, vocational, or professional objective.

"85-15 Rule": This rule provides generally that veterans and other eligibles may not be enrolled in any course in which more than 85 percent of the enrollees have all or part of their tuition, fees, or other charges paid to or for them by the VA or by the educational institution. This requirement, codified in section 1673(d) of title 38, generally exempts any course offered at an institution where the total number of students enrolled under chapters 30, 31, 32, 35, or 36 of title 38 is 35 percent or less. Separate computations are made for the main campus and any branches of an institution.

The "85-15 Rule" reflects what might be termed a "marketplace" approach to the administration of educational assistance benefits. It was based on the expectation that an institution and the courses that it offers should be of sufficient quality and value to attract students, the "consumers" of education, willing to invest their own resources.

RECOMMENDATIONS:

- Reaffirm the provisions of title 38 that have been effective in encouraging appropriate use of GI Bill benefits, such as the two-year rule, standards of progress criteria, and the "85-15 Rule".

- Apply these provisions across the board to all the programs of educational assistance administered by the VA.

- Incorporate into the criteria for determining waiver or applicability of both the two-year rule and the "85-15 rule" those individuals training under the chapter 106 program.

The Commission recognizes the need to maintain those provisions of law and regulations that have contributed to the success of the GI Bill and that facilitate effective program administration.

Part of the Commission's effort has been to identify requirements that can be eliminated or modified. Likewise, the Commission has undertaken to identify those that can be kept in place or strengthened to protect program integrity. The history of the GI Bill is rich with experiences from which valuable lessons may be learned. There would be no point in throwing out controls and regulations now in place only to find in time a need for new or strengthened controls.

The Commission believes that these three requirements are exemplary of controls which should be reaffirmed as methods of controlling possible misuse of GI Bill benefits. Their coverage should be extended to all the various educational assistance programs.

The Commission notes, however, the provisions of law that exempt from the two-year rule and from the 85-15 ratio requirement certain courses offered by an institution under contract with the Department of Defense on or near a military installation that are available only to active duty military and their dependents. These exemption authorities, however, do not take into account individuals who are training under the chapter 106 program for the Guard and Reserves. The Commission recommends that these authorities be amended to take these trainees into account.

VALUE OF HOME-STUDY COURSES; EDUCATIONAL ASSESSMENT

ISSUE: Assessment of the vocational value of courses offered through home study or correspondence.

BACKGROUND: Another of the specific charges to the Commission is to assess the value of courses offered through home study or correspondence.

Home-study courses and programs cover an enormous range of subject matter at a wide variety of levels. Through home study, for example, individuals may take vocational courses in electronics and computer science or complete all requirements for a bachelor's degree in business management.

FINDING: The Commission has made no finding on the vocational value of home study and is unable to comment on the merit of this mode of study as compared to others.

The Commission wishes to stress that this failure to make an evaluation should in no way be seen as having negative implications. More than a million and a half veterans have chosen to receive benefits through this mode of study, and for some veterans this may be the only means through which they can effectively use their benefits. The Commission believes that GI Bill benefits should continue to be available for qualified home-study courses.

The assessment of quality dilemma is a growing issue throughout the entire higher education community; it is not restricted to courses offered through home study. Indeed, the need for establishing quality assessment standards is becoming increasingly apparent in all areas and at all levels of education.

A comparative record of job placements in fields for which graduates are training through all modes of study could be instructive, but past attempts by the VA to compile such data did not succeed and have been abandoned. Prior to 1980, a compilation of the job-placement records of individuals who trained through home study and other trade and technical programs was required by the VA as part of the approval criteria. Regrettably, the uncertain validity and applicability of the data collected, as well as the administrative difficulty in compiling and analyzing it, made that effort less than successful as an assessment tool. The Commission does not recommend that the VA be required to undertake such a study unilaterally.

Given the renewed appreciation of the need for educational assessment in nearly every field, including finance, trade, medicine, higher education, and government at all levels, the Commission expects that eventually assessment standards will be broadly developed and there will be some means of evaluating all types and modes of training. At that time, it would be appropriate and useful to revisit this issue.

WORK-STUDY PROGRAM

ISSUE: Effective utilization of the VA's work-study authority.

BACKGROUND: Under the provisions of section 1685 of title 38, Veteran-Student Services, the VA operates a work-study program for full-time students training under chapters 30, 31, 32, and 34. Through this program, students who perform work generally related to the administration of GI Bill and other veterans benefits may receive minimum-wage payments for up to 250 hours of employment during a semester or other enrollment period. By law, the VA work-study student may be engaged in (1) activities under the VA's outreach services program, (2) the preparation and processing of necessary papers and other documents at educational institutions or VA regional office, (3) the provision of hospital and domiciliary care at VA medical centers, or (4) other VA activities determined appropriate by the Administrator.

The program is funded through the VA's readjustment benefits account. The VA determines the number of work-study opportunities each enrollment period based on the number of veteran-students who can be effectively employed in areas where VA activities are conducted. The law provides that, whenever feasible, preference for employment be given to veterans with service-connected disabilities rated at 30 percent or more disabling. Other criteria for selecting veterans include (1) the need of the veteran to augment the educational assistance allowance, (2) the availability of transportation to the work place, (3) the veteran's motivation, and (4) in the case of a veteran training under the chapter 31 program, the compatibility of the work assignment to the veteran's physical condition.

The VA's work-study program is a popular one; it has been a subject of much comment throughout this Commission's study -- in the survey of educational institutions, during discussions with educators and other participants at Commission meetings, and during visits to the field. It provides income opportunities for students to assist them in meeting basic needs while attending school, as well as a means of enhancing learning opportunities. It exposes students to careers in the public sector and provides personnel for VA medical centers, VA regional offices, and schools to assist in the operations of the benefit delivery system.

The primary concern, expressed both by the participating institutions and by VA personnel, is a need to attract more students into the program. It seems that effective use of this program is frustrated not by a lack of funding but by the lack of interested students who are eligible to participate in the program.

RECOMMENDATIONS:

- Overhaul the VA's work-study program to provide for a flexible progressive payment scale that could be used to attract and retain quality work-study students, especially in high-cost areas.

- Expand eligibility for the VA's work-study program to individuals training under the chapter 35 and the chapter 106 programs.

The Commission has become convinced of the need for incentives to attract work-study students, particularly in certain areas. For example, several States have a minimum wage higher than the Federal minimum wage, and work-study opportunities in these States are simply not competitive. Compounding the low-wage problem, many worksites are located in metropolitan areas where the costs of public transportation or parking can easily offset earnings based on 250 hours of work during a semester.

In addition to attracting newly eligible students, incentives could help the VA retain skilled work-study students. Experienced employees are generally more effective workers.

Below is a ten-step payment scale that might be established based on the current Federal minimum wage with each step rounded to the nearest nickel:

Step	Minimum Wage	Factor	Pay Rate
I	3.35	1.00	3.35
II	3.35	1.10	3.70
III	3.35	1.20	4.00
IV	3.35	1.30	4.35
V	3.35	1.40	4.70
VI	3.35	1.50	5.05
VII	3.35	1.60	5.35
VIII	3.35	1.70	5.70
IX	3.35	1.80	6.05
X	3.35	1.90	6.35

Under this structure, high-cost areas or those with other hiring problems might be authorized to start workstudy staff at a higher level. A State with a higher minimum wage than the Federal minimum might be authorized to start students at the pay level closest to the applicable State minimum. For example, effective July 1, 1988, the California minimum wage is $4.25 per hour; work-study wages would under this structure start at level IV or $4.35 per hour.

Similarly, work-study positions in a high-cost commuting area, such as Washington, DC, could seek to be authorized a high-cost starting wage, for example, at level V or $4.70 per hour.

Following completion of a 250-hour contract, work-study students would be eligible for an incremental pay increase to the next level. Such an increase would not be mandatory and could be based on quality of work and other factors that reflect the interests of the veteran and the program.

The focus of requests for work-study funding would change from simply requesting "hours" to requesting "funding" at the authorized pay levels. Historical and present use patterns, as well as need, could be considered in allocating available funding. Otherwise, administration of the program would remain unchanged.

The Commission believes that there is a good case for this approach to the work-study program. The program offers excellent opportunities for veterans, the VA, and participating schools. Nevertheless, to be a most effective and efficient program, it needs to be attractive to those who would participate. Indeed, a greater ability to attract and retain quality work-study students might result in using fewer hours at facilities which have effective programs and make new opportunities available in areas where problems have existed.

Finally, making opportunities available to individuals enrolled in training under chapters 35 and 106 would achieve consistency among the programs and increase the number of individuals who could participate. The current priority for service-connected disabled veterans would not be changed or diluted, and priority could be expanded to reflect the addition of these programs.

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SEPARATE VIEWS OF COMMISSIONERS OSTAR AND FOWLER

One recommendation not contained in the report of this Commission deals with the issue of accreditation and, specifically, whether non-accredited institutions should be able to be approved for purposes of the GI Bill. We believe strongly they should not.

In order to participate in GI Bill programs, institutions should be accredited (or be designated as a candidate for accreditation) by an accrediting body recognized by the Council on Postsecondary Accreditation and on the Secretary of Education's list of approved accrediting agencies. This would exclude schools that have been denied accreditation or had accreditation withdrawn, as well as schools that do not apply as they know they could not meet the applicable standards.

Accreditation provides protection for the veteran and for the public interest. Little good is served by permitting veterans to use valuable benefits for educational pursuit that is not recognized within the educational community as meeting certain standards. It further helps guard against abuses involved with fly-by-night institutions or those offering programs of inferior or questionable quality.

In order to seek approval for GI Bill purposes, the first criteria must be accreditation. Non-accredited institutions should be prohibited from participation in VA educational assistance programs.

SEPARATE VIEWS OF COMMISSIONER WICKES

DISSENT REGARDING CERTIFICATIONS

The Commission recommends requiring monthly self-certifications under all chapters. The Commission also advises continuing institutional certifications, pending an analysis of monthly veteran certification requirements.

The Commission's recommendation would result in significant additional paperwork without appreciably reducing overpayments. I dissent.

I believe monthly veteran self-certifications should supplant -- not supplement -- institutional certifications, thereby reducing paperwork and saving taxpayer dollars.

The Commission recognizes that students under the Montgomery GI Bill will be more mature. And the Commission believes that "ultimate responsibility for success or failure remains in the hands of the veteran." That is where it belongs.

I do not believe the amount of overpayments associated with veterans purposefully misleading the VA will be appreciably reduced by the additional paperwork costs and liability imposed on institutions. The Commission had an opportunity to recommend a course of action that would have reduced paperwork and expense. It missed that opportunity, and I believe it erred.

DISSENT REGARDING REPORTING FEES

The Commission recommends increasing reporting fees paid to educational institutions and training establishments. I do not agree an increase is necessary. Rather, I would reduce institutional responsibility and liability and retain the present fee amount.

A significant portion of the costs incurred by institutions is associated with their continuous certification responsibilities. Ending those responsibilities, in favor of veteran self-certification, will reduce costs and eliminate paperwork. Accordingly, I would not increase the reporting fee.

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APPENDIX A

MINUTES OF COMMISSIONS' MEETINGS

MINUTES OF THE COMMISSION ON VETERANS' EDUCATION POLICY
April 29, 1987
Russell Senate Office Building
Room 418

The meeting was convened by the Chairman at 9:00 a.m. Those in attendance were:

MEMBERS:

Mrs. Janet D. Steiger, Chairman
Mr. William A. Fowler
Mr. Charles R. Jackson
Mr. Oliver Meadows
Mr. Allan W. Ostar
Mrs. Bertie Rowland
Dr. Ned J. Sifferlen
Mr. C. Donald Sweeney
Mr. John F. Wickes, Jr.

EX OFFICIO MEMBERS:

Ms. Jill Cochran, representative of the Chairman, House Veterans' Affairs Committee
Mrs. Celia Dollarhide, representative of the Administrator of Veterans' Affairs
Mr. Darryl Kehrer, representative of the Chairman, Senate Veterans' Affairs Committee
Dr. C. Ronald Kimberling, Assistant Secretary for Postsecondary Education, Department of Education
Mr. James Parker, representative of the Assistant Secretary for Veterans' Employment and Training, Department of Labor
Mr. Chris Yoder, representative of the Ranking Minority Member, Senate Veterans' Affairs Committee

VISITORS:

Col. David Bergman
Mr. John Brizzi
Mr. Jerry Cerasale
Mr. John L. Fox
Mr. Thomas E. Harvey
Mrs. Mary F. Leyland
Mr. Leo Paszkiewicz
Miss June C. Schaeffer
Mr. A. Wayne Taylor
Mr. Ted A. Van Hintum
Mr. R. John Vogel
Dr. Dennis R. Wyant

Since this was the first meeting of the Commission, Chairman Steiger introduced herself to all in attendance, and each of the Commission members in turn did likewise. Mrs. Steiger made some general opening remarks and thanked the Veterans Administration for its cooperation in getting the Commission established and for ensuring the first meeting would run smoothly. She stated that there was no set agenda for this first meeting. She introduced visitors present, and then welcomed the Director of the Vocational Rehabilitation and Education Service, Dr. Dennis R. Wyant, who would make a presentation to the Commission.

Dr. Wyant passed around a handout to each of the Commission members and began by expressing his gratitude to each for agreeing to serve. He reflected on having been Director of the combined Vocational Rehabilitation and Education Service only since October 1986, and that he is tasked with administering many complicated education programs. He emphasized that if there were any problems, persons should contact his office. He stated that a new listing of names and addresses of contact persons would be provided at a later date.

Dr. Wyant gave a general overview of the organization of the VA, elaborating on its many facets, from having a quarter million employees, 172 hospitals, 58 regional offices, national cemeteries, memorial affairs, etc. He discussed the relationship between the different elements of the VA, the Congress, the Office of Management and Budget, other agencies, organizations, and advisory groups. He noted that the Vocational Rehabilitation and Education Service (VR&E) has approximately eighty Central Office employees who must work with a large number of vastly different education programs. In the regional offices, he explained, there are no education divisions as such but an adjudication division that processes all types of claims, such as compensation and pension as well as all the various education programs. There is also an Education Liaison Representative in each regional office who disseminates information to concerned parties at the local levels, in addition to working closely with State approving agencies and the education community in his or her area of jurisdiction.

Dr. Wyant noted that approximately 18.3 million veterans have used the G.I. bill, and that this number escalates to nearly twenty million when vocational rehabilitation is included. He explained the benefit payments delivery system used by the VA ("Target"), and gave a general overview of the various education programs. He also explained the optical disk system (folderless files) that will be tested in the VA's St. Louis regional office using the New G.I. Bill (chapter 30). He mentioned briefly how OMB affects VA programs and their administration, and how other advisory groups have been involved in VA programs. These include the American Association of Collegiate Registrars and Admissions Officers (AACRAO), the National Association of Veterans' Program Administrators (NAVPA), the Federal Intergovernmental Committee on Education (FICE), and the National Advisory Council on Continuing Education (NACCE). Mention was made also of the school liability study, and other on-going communications efforts of the VA.

Dr. Wyant spoke briefly of the role of the Administrator's Educational Assistance Advisory Committee and its primary task of examining the day-to-day operations of the VA. He stressed his feeling that the Commission, however, should be looking to the future and to where the VA will be in the year 2000. Along this line, he spoke of the VA's initiatives at modernization, data processing and the delivery of services in the best manner possible. A list of legislative initiatives was also provided the Commission members. Mrs. Steiger thanked Dr. Wyant for his comments, noting that the Commission would be working with a large universe of possibilities and not just the narrow charge that is given in the law (PL 99-576). She introduced next the Deputy Administrator of the Veterans Administration, Mr. Thomas E. Harvey.

Mr. Harvey spoke generally of the importance the VA places on its education programs and how vital the VA considers the work of the Commission. He expressed his desire that the Commission will help in "tuning up" the present system in order to provide a better product to the veteran population the VA serves.

Mr. R. John Vogel, Chief Benefits Director of the VA, spoke briefly about his own background in the Government and in working with various education programs. He challenged the Commission to help the VA to administer these programs in the best possible manner, and stated that the VA is looking forward to the work and recommendations of the Commission.

When asked by Chairman Steiger if he had a "magic wand" he could wave, what would he give as a priority for the Commission, Mr. Vogel responded that he felt "measurement" and "continued pursuit" were both "thorny" areas that needed special attention. He noted that Congress wants education monies to yield something tangible, such as a diploma. Public monies should be spent only in a manner that will ultimately yield something meaningful and valuable. Dr. Wyant added that he felt there was a great need for simplicity and consistency in the education programs, as they are quite complicated at present. Mr. Vogel noted that many perceive a Central Office antipathy regarding education programs. However, the Education Service, he said, has a large staff that must deal with many cumbersome procedures and complex manuals. Expressing a need for procedural simplification, he said that the VA is struggling just to keep up procedurally with all the different education programs it must administer.

Dr. Wyant added that modernization could be a salvation for the VA. As staffing in Government agencies continues to go down, he stressed the need for an accounting and data processing system to help in administering these programs in the best manner possible.

In response to Mr. Sweeney's question about possible consolidation of education claims processing, Mr. Vogel stated that for the New G.I. Bill (chapter 30), there would be a test of this type of centralized processing in St. Louis. The ADP payment system being developed for Chapter 30 will soon be in place; however, it does mean that some information dissemination plans must be put on a back burner for now (such as an on-line facilities file). Chapter 106 for reservists is decentralized to all the field stations, and there are presently no plans for consolidation in that area. The VA is also faced with a situation where it must cope with competing pressures from different programs, such as compensation and pension, and loan guaranty. A determination will have to be made of what is possible and what is not, given the parameters within which the VA must operate. Mr. Meadows, in this regard, commented that the whole approval process may need to be altered. This, he cautioned, may be vital as the various education programs get smaller, a look at the approval system may need revision. Mr. Vogel responded that even though the view of many in the VA is that the approval function is mundane, he does not share this view. It is a system that is legally based.

At this point Senator Alan Cranston addressed the Commission, welcoming all to the meeting. The Chairman of the Senate Veterans' Affairs Committee stated he was delighted with the challenge facing the Commission and was especially pleased with the appointment of Mrs. Steiger to chair it. He stated that the Commission has the full support of the Congress, and that the Congress has charged the Commission with certain specific tasks as listed in the law. Many of these issues have been festering over the years, and it will be the Commission's responsibility to address them as fairly and as equitably as possible. The G.I. Bill should be regarded as an earned opportunity for veterans, as well as vocational rehabilitation. The benefits are designed to help veterans meet educational objectives, the Senator reiterated. Mr. Darryl Kehrer will be the Senator's personal representative on the Commission.

Senator Cranston also mentioned pending legislation (S. 12 and H.R. 1085) designed to make the New G.I. Bill permanent. A strong and enduring program of education for veterans is essential, and as such, the Senator said that great advice from the Commission is needed.

After a brief recess, Representative G. V. (Sonny) Montgomery addressed the meeting. He mentioned the status of S. 12, which is now in the Senate Armed Services Committee and is encountering some difficulty. Some members of that Committee want the New G.I. Bill to be tested further, but Chairman Montgomery is confident the bill will pass. After all, he said, the G.I. Bill "has been tested for over 40 years already." The Chairman of the House Veterans' Affairs Committee is very proud of the voluntary force the G.I. Bill has helped to foster. He asked the Commission to look into possible legislation affecting the various education programs. The New G.I. Bill needs to be a permanent program. It will not be a real budget factor until 1992 or 1993. Chairman Montgomery offered to provide means for the Commission to visit the various military services, in order to talk with recruits regarding their concerns and needs, if it would be of value.

Mrs. Steiger noted that the Commission is really a national one in scope and that public hearings around the country in various places may be of some value. Dr. Kimberling remarked that the Department of Education has done this type of thing in the past and has found public hearings to be valuable and a source of good solid views. Mr. Ostar suggested, as one possibility, that a combined public hearing with a visit to the VA regional office in St. Louis, for example, might be a good idea. Mrs. Steiger remarked that the Postal Rate Commission has held eight meetings at a cost of approximately ten thousand dollars. Mr. Meadows cautioned that while there is a need for the opposition to be heard through public hearings, the scope or focus should be narrow and identified rather than broad or wide open topics. He suggested that organized group meetings, such as those of the National Association of State Approving Agencies, should be involved. The consensus of all those present was that public hearings would be a worthwhile effort.

Insofar as this Commission's agenda is concerned, the consensus was that the Chairman would control the schedule, including setting up subcommittees, if necessary (The Commission was advised that subcommittees, work groups, task forces, etc. are permitted under the Federal Advisory Committee Act). It was decided that the next meeting of the Commission would be July 23, 1987.

Mrs. Rowland expressed her view that the Commission should be looking at measurement as an issue. She cited an example involving standard class sessions in which there is the possibility of having to use two different formulas for determining training time for VA payment purposes for the same course work. Many schools have complained about the use of standard class sessions as a measurement tool, especially during accelerated terms. Dr. Kimberling explained how the Department of Education uses a totally different method for allowing schools to participate in its programs. He remarked how the education community has changed over the years, and that this is something the Commission should look into. The Department of Education is not as detailed as the VA. They take a more deregulatory approach as opposed to the VA's highly regulatory and complex verification process. Mrs. Steiger reiterated that the VA's programs are not a bonus and that there must be definite goals for its education programs. All agreed that measurement is an issue of critical importance for the Commission to examine. In this regard, Dr. Sifferlen added that developmental education programs and continuing education units should be included in the Commission's study. He noted that many schools are using what is termed a "veterans' 'F'" grade, due to the VA's strict regulatory verification procedures. He also mentioned independent study, different teaching and learning strategies, and nontraditional programs as other topics for the Commission to consider.

Mr. Meadows added the approval function as a possible issue. As programs get smaller, the approval function needs to be reexamined. Questions are expected to arise regarding the cost-benefit of the approval process. Mr. Meadows suggested that the VA's Office of the

Inspector General (OIG) be invited to appear before the Commission regarding any problems they may have found and any exploitations or abuses of the programs. Dr. Wyant said that his office will provide the Commission with copies of pertinent studies the OIG has done, as well as any General Counsel suggestions regarding the education programs. Mrs. Steiger added that she would like also to get as much information and input as possible from schools regarding their experiences and concerns with VA's education programs and their administration.

Mr. Sweeney made a presentation to the Commission using transparencies to stress areas for possible study. He focused on the roles and relationships among the State approving agencies, the VA regional offices, and the VA Central Office. He stressed the need for a plan for the future focusing on veterans and eligibility and increased participation. We are in an age of efficiency and accountability, and there are certain sub-issues, such as costeffectiveness and cost-benefit that should be considered. Mr. Sweeney noted the involvement of State approving agencies with the Veterans Administration, the Department of Labor, and State regulatory groups as well as the interrelationship among the SAA's, the VA, the accrediting associations, and the licensing boards. He urged the Commission to look into ways to decrease duplication wherever possible with emphasis on strengths and singularities, and to focus on ways to maximize coordination and cooperation. He noted the importance of looking at the VA's education programs in an historical perspective, especially the value of such earlier works as the Orlans Study, copies of which had been given to each member.

At 11:30 the morning open session of the Commission was adjourned. After Mrs. Leyland briefly went over some procedures the members should follow in filing their travel vouchers, etc., the meeting went into closed session at 11:45. Those in attendance at the closed session were:

Mrs. Janet Steiger, Chairman
Mr. William Fowler
Mr. Charles Jackson
Dr. Ronald Kimberling
Mr. Oliver Meadows
Mr. Allan Ostar
Mr. James Parker
Mrs. Bertie Rowland
Dr. Ned Sifferlen
Mr. Donald Sweeney
Mr. John Wickes
Mr. Jerry Cerasale, advisor to the Chairman
Mr. Wayne Taylor, recorder

The Commission was in closed session from 11:45 a.m. until 12:35. The purpose of the closed session was to discuss internal personnel matters for the Commission. Since the open discussion of personnel qualifications for selection of staff would constitute a clearly unwarranted invasion of personal privacy, the closed session was authorized in accordance with section (c)(6), 5 U.S.C. 552b as permitted by section 10(d) of the Federal Advisory Committee Act, Public Law 92-463, as amended. During the closed session, it was unanimously agreed that the position of Executive Director of the Commission would be offered to Mrs. Babette Polzer.

The Commission reconvened in open session at 2:15.

The Chairman suggested the Commission look at its charge in the law. Focus was placed on the task of examining the vocational value of courses taken through home study. Mr. Fowler explained how veterans are reimbursed quarterly and retroactively for courses taken. He explained that the major use of home study is generally either for a vocational objective or for a degree. Miss Schaeffer advised the Commission that approval for home study is generally done by the regional offices themselves, although some State approving agencies do process them. All approvals for home study, however, are submitted to the VA's Central Office for final acceptance and publication. Exact numbers were not available. It was noted that correspondence training is now available to those persons eligible under Chapters 30 and 32. Mr. Fowler explained that, historically, home study has been attractive to those who find it easiest to study in this fashion and that those pursuing such courses are not centered in rural areas as one might initially tend to think. In addition, this method of study has been found to be of particular value to those who are disabled or housebound.

The question of determining the vocational quality of home study was discussed. Miss Schaeffer remarked that the military uses correspondence courses to a great extent for their own purposes. However, there is a need to show what value it actually does have for the veteran population at large. Dr. Kimberling brought up the question of whether a person can get licensed and/or employment in a particular field by virtue of having taken courses through correspondence. Mr. Fowler explained that this is a criterion for approval of such courses by the National Home Study Council, which is a recognized accrediting association. He emphasized that satisfactory progress must be shown.

In assessing the historical perspective of correspondence courses in the law, Mr. Yoder stated it was his opinion that there have been two different perceptions of correspondence training; one being that it is of primary interest to those who can only study at home, and the other being that by the very nature of the courses, they work in some areas and in some they do not. Dr. Kimberling noted that the disabled and blinded persons are the most affected in this regard and added that the Department of Education does not make any determinations regarding the value of programs. Mr. Fowler added that this is something that the accrediting associations are relied upon to ascertain.

State approving agencies have not looked at correspondence courses per se insofar as their value is concerned or for employment placement purposes, according to Mr. Sweeney. Arizona has a program that matches education data with information from their unemployment bureau. This may be something the Commission could look into as part of examining whether vocational schools are doing their jobs or not.

The focus of home study seems to be on skills that can be learned rather than on liberal arts. Overall, according to Mr. Fowler, the majority of home study programs are vocational rather than degree oriented.

Mr. Wickes raised the question as to whether the Commission should be looking at the efficacy of paying benefits for correspondence at all. He was assured by Mr. Yoder that the language in the law establishing the Commission assumes that the Commission will examine under what circumstances these types of courses may or may not be of value. Mr. Fowler brought up the issue of how historically there have been abuses of the home study programs. TV repair courses where a person essentially gets a TV set is one such example. Therefore, the overall objectives of why people take correspondence courses, and the efficacy of VA payments for them, are areas of concern the Commission should examine.

Mrs. Steiger asked about the next charge in the law, that of examining the differences between certificate and degree granting courses. Dr. Kimberling noted the present trends toward a proliferation of such training courses as those which lead to Associate of Applied Science degrees. The Department of Education makes distinctions only between six-month vocational courses and one-year vocational-technical programs. A prime example of some of these growing types of programs is the paralegal certificate programs. The issue is not just one of clock-hour and credit-hour measurement. Mrs. Rowland expressed her concern about distinctions made on how persons are paid between certificate and degree programs. Dr. Sifferlen mentioned that credentials have not been established for these less-traditional types of programs. In this regard, the role of accrediting associations was discussed. It was noted that the fastest growing area seems to be in the medical technology field. Both the National Home Study Council and the National Association of Trade and Technical Schools are involved in accrediting schools offering these types of programs. Cosmetology school accreditation was also mentioned, as well as internship programs. Mrs. Rowland noted how the requirements for separate approvals for residencies and internships have caused difficulties for schools.

Approval and benefit payment problems are particularly evident for weekend programs. There are now many Masters in Business Administration programs, for example, that are offered only on weekends, and there are an increasing number of compressed mini-courses being made available. As such, Mrs. Rowland suggested that the Commission may want to look at alternative methods of benefit payment. Dr. Wyant added that he provided each of the Commission members with a list of legislative initiatives that they may want to consider. Some of them the VA supports, and others, the VA does not advocate. However, they are topics for discussion.

Innovative or creative methods of instruction and the action/reaction of the education community was discussed. The role of accreditation in assessing the quality of programs of education in today's rapidly changing world is a topic the Commission may consider. This is especially important in view of the increasing number of alternative or nontraditional methods of teaching, such as the use of videocassettes, open-circuit television courses, and computer programs. A serious question for consideration will be the criteria for measuring pursuit in these types of programs. This will also be true of continuing education units, since there are no legal standards or controls for them. Accreditation is not a measure of, or insurance of, the quality of a program.

It was agreed that the number one priority of the Commission will be measurement. Within that framework, the most troublesome areas to be examined will be clock- or credit-hour measurement differences, the problems, especially definitional ones, involving independent study, and the number of units a student can pursue towards a degree. The role of accreditation will need to be examined. As Mr. Meadows noted, accreditation is generally for a school and not for particular courses offered at an institution. Dr. Wyant mentioned that cooperative education is also an area the Commission may want to examine.

Other areas of major concern to the Commission are the types of courses acceptable and the payment differences among the various VA programs. In this regard, Miss Schaeffer was asked to chart for the Commission the differences in the various programs.

The Commission also wants to examine the differences in usage and abuse among the various programs, and whether or not there are any substantive differences in this regard betweeen the contributory programs as opposed to the noncontributory ones. The role of the approval system is also to be examined. Mr. Sweeney was asked to bring this up at the next national meeting of the National Association of State Approving Agencies in June.

There being no further business at hand, the meeting was adjourned at 4:00 p.m.

Recorded by Mr. A. Wayne Taylor

Certified correct: ______________________
JANET D. STEIGER
Chairman

MINUTES OF THE COMMISSION TO ASSESS VETERANS' EDUCATION POLICY

July 30, 1987

House Veterans' Affairs Committee Hearing Room - Room 340

The meeting was convened by the Chairman at 9:00 a.m. Those in attendance were:

Members:

Mrs. Janet D. Steiger, Chairman
Mr. Ross L. Alloway
Mr. William A. Fowler
Mr. Charles R. Jackson
Mr. Oliver E. Meadows
Mr. Allan W. Ostar
Dr. John C. Petersen
Mrs. Bertie Rowland
Mr. C. Donald Sweeney
Mr. John F. Wickes, Jr.

Ex Officio Members:

Ms. Jill Cochran, Representative of the Chairman, House Veterans' Affairs Committee
Mrs. Celia Dollarhide, Representative of the Administrator of Veterans' Affairs
Mr. Darryl Kehrer, Representative of the Chairman, Senate Veterans' Affairs Committee
Mr. Leo Paszkiewicz, Representative of the Assistant Secretary for Postsecondary Education, Department of Education
Mr. Donald E. Shasteen, Assistant Secretary for Veterans' Employment and Training, Department of Labor

Executive Director: Ms. Babette Polzer

Representing the Veterans Administration:

Mr. John L. Fox, Assistant Director, Procedures and Systems, VR&E
Mr. Robert H. Ketels, Chief, Central Office Operations Staff, VR&E
Mrs. Mary F. Leyland, Deputy Director, VR&E

Mr. Stanley R. Sinclair, Debt Management Staff Director, DVB
Mr. Michael Slachta, Jr., Deputy Assistant Inspector General for Headquarters Audits, OIG
Mr. William G. Susling, Education Advisor, Policy Staff, VR&E
Mr. A. Wayne Taylor, Legal Consultant, Program Administration, VR&E
Mr. Morris L. Triestman, Vocational Rehabilitation Policy and Program Development, VR&E
Mr. Ted A. Van Hintum, Assistant Director, Field Operations, VR&E
Mr. Gerald R. Weeks, Chief, Procedures Staff, VR&E
Dr. Dennis R. Wyant, Director, Vocational Rehabilitation and Education Service
Mr. Alan R. Zoeckler, Chief, Program Administration, VR&E

Visitors:

Mr. Jerry Cerasale, Attorney, Postal Rate Commission
Dr. Charles Cowan, Chief Mathematical Statistician, Center for Education Statistics
Ms. Bernell C. Dickinson, Director, Veterans Education Programs, North Carolina State Approving Agency
Ms. Maureen Drummy, Special Assistant to Chairman, Postal Rate Commission
Ms. Debra Gerald, Statistician, Center for Education Statistics
Mr. Dan Lau, Director of Student Financial Assistance Programs, Department of Education
Mr. James Parker, Representative of the Assistant Secretary for Veterans' Employment and Training, Department of Labor
Mr. Herb Reinhard, President, Frostburg State University
Dr. Lenore Saltman, Coordinator for Voluntary Education, Office of the Secretary of Defense
Mr. James B. Williams, Department of Education

The Chairman of the Commission, Mrs. Janet D. Steiger, presented her opening remarks and expressed sincere appreciation to the Veterans Administration for its full support to the Commission. She noted that several presentations had been scheduled for the morning session which were designed to provide a framework for addressing the issues and that what the Commission has before it is the opportunity to work together as a group to achieve a consensus. She added that it was essential that the Commission's endeavor begin with an understanding of the uniqueness of the G.I. Bill and the purpose and philosophy behind it. The Commission is not attempting to fit the G.I. Bill into the world of higher education, but rather to help tailor "this remarkable entitlement" into the best possible program that can serve this Nation's veterans. VA programs of educational assistance must be viewed within the context of higher education as it exists today and is anticipated tomorrow. The Commission's task is to help ensure that all parties to the partnership -- the Federal Government, the education community, the taxpayer, and the veteran -- realize the full value of this important benefit. As the agenda was an ambitious one, the first speaker was asked to begin.

The Assistant Director, Field Operations, Vocational Rehabilitation and Education Service, Veterans Administration, Mr. Ted Van Hintum, gave the Commission an overview of future prospects for the Montgomery G.I. Bill. As amended by Public Law 100-48 on June 1, 1987, the purposes of the G.I. Bill are to assist in the readjustment to civilian life; to extend the benefits of a higher education for those who might not otherwise be able to afford it; to provide for vocational readjustment and restore lost educational opportunity; to aid in the recruitment and retention of highly qualified personnel in both the active duty and reserve components of the Armed Forces; to provide educational assistance to aid in the retention of personnel in the Armed Forces; and to enhance competitiveness through a more highly educated and productive work force.

Explaining the education programs from World War II, the Korean Conflict, Post-Korean, Post-Vietnam, and now the Montgomery G.I. Bill, as well as the Vocational Rehabilitation program, Mr. Van Hintum indicated that almost 20 million servicepersons and veterans have received training in one or more VA programs. The Montgomery G.I. Bill is expected to cost approximately $180 million by Fiscal Year 1992 for reservists' training (average cost per reservist trainee = $857), and $440 million for veterans and servicemen qualifying on the basis of active duty service (average cost per trainee in this category = $2,100). It was pointed out that these budget figures were based on the assumption that the Montgomery G.I. Bill was still a temporary program and the figures do not reflect any new considerations now that the programs are permanent.

There were 32,000 reservists using the Montgomery G.I. Bill-Selected Reserve (chapter 106, title 10, United States Code) in Fiscal Year 1986 with an expected 88,000 reservist trainees in Fiscal Year 1987, and a projected 226,000 during Fiscal Year 1990. Similarly, for the Montgomery G.I. Bill - Active Duty (chapter 30, title 38, United States Code), there was only one trainee in Fiscal Year 1986 but by Fiscal Year 1992 over 209,000 veteran/servicepersons are expected to be in training.

Mr. Van Hintum pointed out that these projections are based in part on the participation rates to date among the various branches of the Armed Forces. Since July 1, 1985 (the effective date of the chapter 30 program for active duty personnel), through June 30, 1987, the Department of Defense has had 329,806 persons elect to participate in the program. The Army, during this same period has shown a participation rate of 77.2 per cent; the Navy had 46.5 per cent; the Air Force, 42.1 percent; and the Marines, 64.3 per cent. These figures, however, are skewed in view of the increasing promotional efforts by each of the branches of the Armed Forces. During the month of June 1987, for example, the Army had a participation rate in chapter 30 of 90.1 per cent; Marines had 77.7 per cent; Navy showed 56.2 per cent, and Air Force had 54.1 per cent participation. The evidence supports increasing interest among new recruits in participating in the Montgomery G.I. Bill-Active Duty program.

The future prospects for the Montgomery G.I. Bill, according to Mr. Van Hintum, include expectations that those utilizing it will be seriously pursuing a program of education, since they will have a vested interest in the program (by virtue of the $1200 reduction from their military pay during the first 12 months on active duty). The Veterans Administration expects fewer drop-outs, fewer reductions in training, and lower overpayments. Insofar as the Montgomery G.I. Bill-Selected Reserve (chapter 106) is concerned, Mr. Van Hintum indicated that these trainees will probably be older, more likely to have dependents, and be working full or part-time. He said that the requirement for a high school diploma as well as the lack of benefits for less than one-half time training may be potential problems.

Of interest to the Commission members was the refund issue of contributions under the Post-Vietnam education program. Out of 1,106,732 participants in that program, 478,097 received refunds (43.2 per cent). This is particularly significant in view of the lack of any provision for repayment of the $1200 reduction from military pay under chapter 30. Mr. Van Hintum suggested consideration might be given to defining the decision period a new recruit has before these reductions from pay are made. He also indicated that repayment of these funds might be provided under certain circumstances. Dr. Dennis R. Wyant, Director of the Veterans Administration's Vocational Rehabilitation and Education Service indicated that the VA is supporting this provision as a death benefit only for those who are killed while on active duty, as stated in the pending legislation.

Another area of interest to the Commission was the chart Mr. Van Hintum provided of the type of training pursued under various veterans' education programs. For example, of the Post-Korean trainees (chapter 34), 26 per cent pursued programs of education at vocational technical schools, 25 per cent at two-year colleges, and 21 per cent at four-year institutions of higher learning. The Post-Vietnam trainees (chapter 32), however, utilized education benefits at a 42 per cent rate for four-year schools, 41 per cent at two-year colleges, and only 11 per cent at vocational technical schools.

Dr. Charles Cowan, Chief Mathematical Statistician, Center for Education Statistics, (who was assisted by Ms. Debra Gerald), presented a profile of higher education in the 1990's. Using a prepared handout, he discussed various charts prepared by his office showing the college population by age group from 1970 and projected through the year 2000. Of greatest interest, insofar as trends are concerned, was the increasing number of college students in the over 35 age group. He indicated that their studies showed the number of students in training in the 18-24 age group to be declining, those in the 25-35 age group are expected to increase then decline in the 1990's, but those from 35-44 are expected to continue to increase in their rates of higher education enrollment. Dr. Cowan indicated that this trend is expected to continue through the year 2000, and the total enrollment in institutions of higher education is expected to show not only an overall increase but also an increase in the number of women students. The Center for Education Statistics also sees a trend toward increasing education enrollments among those pursuing part-time training as opposed to full-time. The number of students, however, in both public as well as private institutions is expected to remain fairly constant through the 1990's.

Dr. Cowan and Ms. Gerald both explained the gradually increasing costs or expenditures of institutions of higher education, citing statistics from 1960 to 1985. For example, Dr. Cowan indicated that in 1960 public and private colleges both averaged a little over ten million dollars each in expenditures; by 1985, however, private college expenditures gradually increased only to approximately $25 million, while public college expenditures escalated much more rapidly to approximately $55 million (figures in terms of constant 1984-85 dollars). These trends of older persons going back to school, especially on a part-time basis, the declining enrollment rates in bachelor's programs, and the costs for public colleges increasing at greater rates than for private colleges are expected to continue into the 1990's.

Measurement is a cause for concern, according to Mr. William G. Susling, Education Advisor for Policy and Program Administration of the Veterans Administration's Vocational Rehabilitation and Education Service, so that benefit payments are based on proper course measurement. He pointed out that the law has always regulated measurement standards. Twenty years ago, however, the measurement provisions of the law were fairly simple. Today, they are far more complex, involving not only separate standards for accredited institutions and nonaccredited ones but also differences for various types of training. This includes different procedures for resident training as opposed to independent study, for example, and for graduate and undergraduate types of training. Mr. Susling also noted that within this complex framework are exceptions to the standards, such as for miniterms.

Another area of measurement concern Mr. Susling mentioned involves credit-hour measurement of noncollege degree programs. This incorporates different methods of payment for credit-hour pursuit as opposed to clock-hour pursuit. The VA has been preparing new guidelines for its regional offices pursuant to changes brought about by Public Law 99-576 for credit-hour measurement at institutions offering noncollege degree programs. The new circular is presently being reviewed by the VA's General Counsel.

Another major problem with measurement for VA payment purposes involves independent study. Mr. Susling indicated that independent study is defined in the law. The problem, however, is in identifying what constitutes independent study. For example, television courses, research activities, computer teaching programs, etc. may all be forms of independent study.

The Commission next heard presentations on the approval process and administrative criteria from Ms. Bernell Dickinson, the Director of Veterans Education Programs for the North Carolina State Approving Agency and from Mr. Robert H. Ketels, the Central Office Operations Chief for the Vocational Rehabilitation and Education Service of the Veterans Administration. Both Ms. Dickinson and Mr. Ketels provided the Commission members with handouts detailing the legal requirements and processes for approval of programs of education for veterans' training benefits. The accreditation issue and its role in the approval process was also discussed. Mr. Ketels briefly summarized the role of the VA in the approval process, including the VA Central Office's part insofar as national and foreign approvals are concerned. He also discussed in general the reimbursement contracts for the State approving agencies and the statutory provisions involved.

Chairman Steiger reiterated to the other Commission members that the "G.I. Bill" is very unique, and that this should always be kept in mind when examining it or comparing it to other education programs and/or assistance provided by other Government agencies. It is worthwhile, however, she noted, to look at other structures for comparison purposes. Mr. Dan Lau, the Director of Student Financial Assistance Programs at the Department of Education was introduced.

Mr. Lau explained that the Department of Education operates what essentially are student aid programs. These include grant programs, such as the Pell Grants and the SEOG; the student loan programs, such as the Guaranteed Student Loan (GSL) and what is now called the Perkins loan (formerly, the National Defense Student Loan Program -NDSL); and the workstudy programs. Mr. Lau indicated that the Department of Education's programs are student focused. Insofar as funding is concerned, he said that the Pell Grant program costs approximately $3.6 billion, the GSL about $3.2 billion. These grants, however, will purchase approximately $8 billion in student loans. There are approximately another one billion dollars spent on the campus-based programs.

The Department of Education programs are administered by the institutions. Mr. Lau said there has been a problem with loan defaults. In the GSL program nationwide, this amounts to approximately ten per cent; in the Perkins program, nine per cent. The Department of Education has been pursuing an extensive collection program including offsets by the Internal Revenue Service.

Some monitoring of schools is done by the Department of Education. This includes audits by their staff and by their Office of the Inspector General. Mr. Lau emphasized that they deal with all postsecondary programs of education and that their programs are all need-based. As such, the Department of Education often finds inaccuracies between what students report and the actual circumstances. Because of this, there is a verification process and special edits in their system. The schools themselves do the verification of information provided by the students.

The Department of Education has no check on the quality of education being provided. There are certain standards of progress, however, that must be monitored by the schools. There is virtually no school liability per se except in cases of false reporting. A nominal administrative allowance of $5 per applicant is paid to the schools. Mr. Lau mentioned that the schools are audited based on a factoring system. This does result in some schools being audited or visited perhaps once each year, while others may only be visited once in twelve to fifteen years. There is, however, a biannual audit that is required and conducted by independent auditors.

The Coordinator for Voluntary Education in the Office of the Secretary of Defense, Dr. Lenore Saltman, then addressed the Commission on the education programs operated by the Department of Defense. She focused mainly on the military's Tuition Assistance program under title 10, United States Code, section 2007. In Fiscal Year 1987, the Defense Department estimates it will spend $108 million for the Tuition Assistance program in providing off-duty training for approximately 700,000 enrollments worldwide. Dr. Saltman mentioned that this program generally provides 75 per cent of the costs of tuition, but there are differences among the various branches of the Armed Forces. For example, there is a payback provision for officers whereby they must perform two years active duty service at the completion of their course of study.

Insofar as controls are concerned, Dr. Saltman noted that there are approximately 500 education centers worldwide that monitor the Tuition Assistance program. It is at these education centers that the programs are initially approved, and each applicant is seen by a counselor. She noted that there is a fairly new Department of Defense Directive 1322.8 which requires that the courses of study pursued lead to an identifiable objective or goal. The programs offered on military installations themselves have tighter controls, especially on class attendance, student progress, etc. Naturally, the off-base programs by virtue of their location have somewhat fewer controls. If a servicemember drops out of a course of study, there are certain payback provisions, even though there are some forgiveness allowances. There is payback for all failures, and no Tuition Assistance is payable for repeating a course. Again, Dr. Saltman noted that some provisions will vary from one branch of service to another. She gave an example using the Air Force, which paid out $47 million in Tuition Assistance last year. The payback amounted to $700,000 and $358,000 was "forgiven" under the Air Force's policy.

Dr. Saltman mentioned that there are other smaller programs operated by the various branches of service, some of which will pay for the full amount of tuition costs. The Department of Defense also has provisions for granting education leaves of absence in certain circumstances. Programs of education payable include various types of training, such as correspondence, which is paid upon completion of the course, and residence training at schools that are either regionally or nationally accredited. Independent study can also be paid.

The biggest problems the Department of Defense has had in administering its programs have revolved around resources. Others involved the controls on officer paybacks. Dr. Saltman noted that the Defense Department's Office of the Inspector General has been looking into this latter problem. She reiterated that the Tuition Assistance program is really a service program and not a Defense Department program. As such, it can and does vary from one branch to another.

Another area in which the Commission expressed great interest is "Where Does the Wheel Rub?". For this portion of the meeting, brief presentations were made by Mr. Herb Reinhard, President, Frostburg State University; Mr. Stan Sinclair, Debt Management Staff Director, Department of Veterans' Benefits; Mr. Michael Slachta, Jr., Deputy Assistant Inspector General for Headquarters Audits; Mr. Ted A. Van Hintum, Assistant Director for Education Operations; and Mr. Alan R. Zoeckler, Program Administration Staff Chief, VR&E Service.

Mr. Van Hintum began by outlining the program foundation itself as being spread out among the law, specific regulations, and complicated procedures. He then mentioned that the program administration is dispersed among different agencies to include the Veterans Administration, the State approving agencies, and the

Department of Defense. Finally, program abuse is found both among the schools as well as veterans themselves.

The program foundation itself is open to challenges. Its structure and the complexity of the law lend themselves to "wheel rubs." This is most evident in the distinctions that are made between accredited and nonaccredited schools and between public and private for profit institutions. The statutory provisions regarding measurement, especially standard class sessions, have caused a great deal of confrontation among varying concerned elements. Mr. Van Hintum also mentioned the problem of nonpunitive grades. He stated that the provisions concerning these and the "mitigating circumstances" requirements of the law have been the biggest cause of overpayments in the Veterans Administration, amounting to approximately 60 per cent of the total education debt.

Mr. Van Hintum expressed his personal opinion to the Commission that one of the biggest challenges the VA has to overcome is in the organization of the program administration structure itself for the education programs. He said that it was his opinion that there is mixed accountability in the organization for administration of the VA education programs. He mentioned that in the VA's Central Office, there is one service, the Vocational Rehabilitation and Education Service, that has direct responsibility for the administration of the education programs among the 58 regional offices. However, at the field station level, there is no "education division" that is accountable for the programs. Instead, the functions for the education program administration are spread out among the Veterans Services Division for the liaison and compliance activities, the Adjudication Division for claims processing, the Administration Division in some regional offices for maintenance of the claims folders, and the Vocational Rehabilitation and Counseling Division for the chapter 31 programs, independent living services, and counseling functions for all education programs. Within this sphere, Mr. Van Hintum also mentioned the centralization plans for chapter 30 processing at the St. Louis regional office. This is part of testing a new optical disc system for claims processing. This concept will also present organizational and accountability challenges for the VA.

In other areas where "the wheel rubs," Mr. Van Hintum noted the on-going debate over State approving agencies and funding for them. He also noted areas of program abuse, but emphasized his opinion that these are primarily historic in nature. These would include what he called the "barbers of Seville," a situation involving barber schools with a tremendously inflated veteran enrollment but only one barber chair; the "free color TV" problem that involved some correspondence schools; and the "frequent fliers" problems with vocational flight schools. Mr. Van Hintum also mentioned past abuses involving private profit schools. In view of these past abuses and the present operating situation, it may be that the VA is operating in an excessively restrictive manner. Mr. Van Hintum suggested that some of the present-day restraints or safeguards may no longer be needed, and that this is something the Commission may want to examine more closely.

The Program Administration Chief for the Vocational Rehabilitation and Education Service, Mr. Alan R. Zoeckler, briefly summarized his observations about problems or challenges the VA has to overcome in administering the education programs in today's environment. He noted that many of the statutory and regulatory provisions his office is tasked with administering are based on the 1944 legislative programs and subsequent laws designed to prevent the abuses of that system. In other words, the VA is operating in the 1980's with a program still deeply rooted in the 1940's.

This is especially evident, according to Mr. Zoeckler, where the VA must fit more nontraditional types of programs into the very limited categories covered by the VA's regulations. For example, many large universities will use satellite communications to transmit classroom lectures live to remote sites, sometimes on campus but more frequently to other areas of the state or even to other states. In some instances, someone may be sitting in his or her business office, while pursuing some sort of course of study via satellite communications or computer network. The VA does not have regulations for which these nontraditional methods of instruction may be covered. Therefore, the VA must try to force-fit them into some preset format that is based on the modes of instruction provided in the 1940's and 1950's. Mr. Zoeckler emphasized that some sort of "legislative modernization" or simplification may be needed to bring the VA programs more into sync with the more modern, innovative, and creative teaching methods employed by today's education and academic communities.

The overpayment problem is another area in which the "wheel rubs," according to Mr. Stan Sinclair. Currently, there are 465,000 debtors to the VA, owing approximately $374 million. In Fiscal Year 1987 there will be 82,000 new debtor accounts established. Mr. Sinclair stated that the VA is establishing approximately 9,000 new accounts each month with an average overpayment of $434. He believes the VA can reduce the debt by at least 15 per cent, even though many debts are unavoidable and some are due to VA error (about 7 per cent). Schools not timely reporting enrollment changes cause roughly 13 per cent of the overpayments. Mr. Sinclair emphasized that the Veterans Administration, the schools, and the veterans themselves all have responsibilities for trying to avoid overpayments. In this regard, he mentioned, also, that the "mitigating circumstances" provisions of the law are a big problem, insofar as causing overpayments are concerned.

From an academician's point of view, the President of Frostburg State University, Mr. Herb Reinhard, focused on five problem areas he sees in dealing with the Veterans Administration. The first of these he called "fragmentation." Mr. Reinhard noted a trend toward VA departmentalization as causing many of the problems with the schools and for creating confusion among students. Quite frequently, he noted, a VA representative will visit the campus but will be limited or knowledgeable in only one of the education programs, such as vocational rehabilitation, and cannot help students eligible under other programs.

The second problem area identified by Mr. Reinhard is "inflexibility." He noted that the higher education community has changed over the last forty years but that the VA's regulations and procedures have not. There are a large number of restrictions still on the books that cause schools and students great problems. These include independent study, internships, laboratory and class time, among others. In conjunction with this, the third major area of concern is the "turnaround time" it takes the VA to process a claim. He said that his school estimates that an original claim routinely takes six to eight weeks. This causes tremendous problems, such as forcing students and schools to make deferred payments or get personal loans.

The fourth problem area identified by Mr. Reinhard involves "financial support." He cited cutbacks in funding for schools but at the same time they must still make all the same required reports, keep statistics, etc. All of this with less personnel due to the financial problems schools are having. The fifth problem, and in this same regard, is the inconsistency of the relationships between the schools and the VA. He noted that the field representatives and the relationships they have, not only with schools but also with the students, varies greatly from one locale to another. This does nothing to enhance the good will among the parties concerned.

The final presentation before breaking for lunch was given by Mr. Michael Slachta, Jr., Deputy Assistant Inspector General for Headquarters Audits of the Veterans Administration. He outlined how the Office of the Inspector General is organized as an independent office in the VA and gave an overview of its duties. Their main concerns revolve around control, accountability, stewardship, debt collection and, most importantly, debt avoidance. He noted that one of the biggest problems with the VA's education programs seems to be reporting and timeliness by the schools as being the number one factor for overpayments. The second largest problem, according to Mr. Slachta, involves students taking courses that are not counted toward graduation. In conjunction with this, he agreed with Mr. Van Hintum and Mr. Sinclair that the issue of "mitigating circumstances" is a major overpayment cause.

Mr. Slachta also mentioned the 30-day reporting period as a factor in causing overpayments. This is due, he said, mainly to the turnaround time to work a case. If delayed, overpayments will result. VA error, especially VA failure to take timely action, is an area of concern.

The Office of the Inspector General most recently has been involved in looking at one-term awards, monthly certifications, and monthly reports to schools. Mr. Slachta also emphasized the school liability provisions of the law. He stated that even though they may not be cost effective or cost efficient, they are, nevertheless, a deterrent for abuses of the programs. He noted that there may be less abuse today, but perhaps only because the controls that have been put into place are working.

The Commission recessed at 1:00 for lunch and reconvened at 2:00.

Chairman Steiger divided the Commission into the three informal subgroups which had been established for discussion of specific issues. She stated that each subgroup should focus on the materials and information it would need to study the issues, identify the problem areas, and suggest recommendations. She said the Commission should be looking at a target date in November for collecting this material. She also suggested that one of the Commission subgroups should look at VA automation efforts and, particularly, the decentralized processing of Chapter 106 benefits for reservists in all 58 regional offices as compared to the centralized processing in St. Louis of Chapter 30 benefits. Chairman Steiger also expressed concern about the potential organization problems the VA may be facing in its regional offices and the accountability or lack thereof in terms of administering education benefits.

The members then divided into the following subgroups for informal discussions of the respective topics:

Subgroup A: Measurement: Issues to include how various types and modes of training are measured and paid, need for distinctions between clock and credit hours, degree and certificate courses, innovative and independent study.

Commission Members:
  Mr. Ross L. Alloway
  Mr. William A. Fowler
  Ms. Bertie Rowland

Department of Education Ex Officio Representative: Mr. Leo Paszkiewicz

Department of Labor Ex Officio Representative: Mr. Donald E. Shasteen

VA Resource Representative: Mr. William Susling

Subgroup B: Approval Process: Issues to include the mechanisms by which schools and programs are approved for purposes of payment of G.I. Bill benefits, including the State approving agencies' role, the VA's role, paperwork issues, reduction of duplication, and maximizing cooperation and coordination.

Commission Members:
  Dr. John C. Petersen
  Mr. C. Donald Sweeney
  Mr. John F. Wickes, Jr.

Congressional Ex Officio Representative: Ms. Jill Cochran

VA Resource Representative: Mr. Robert H. Ketels

Department of Education Resource Representative: Mr. James B. Williams (representing Ken Whitehead, Deputy Assistant Secretary for Higher Education Programs)

Other Participants: Ms. Bernell Dickinson
Mr. Alan R. Zoeckler

Subgroup C: Administrative Criteria: Issues to include the continuing need for various provisions of law, rules, regulations, policies and procedures for purposes of administering the G.I. Bills and the prospective need for new and/or revised protections.

Commission Members:
  Mr. Charles R. Jackson
  Mr. Oliver Meadows
  Mr. Allan W. Ostar

Administrator of Veterans' Affairs Ex Officio Representative: Mrs. Celia Dollarhide

VA Resource Representative: Mr. Gerald R. Weeks

Other Participants: Mrs. Mary F. Leyland
Mr. A. Wayne Taylor
Dr. Dennis R. Wyant

The subgroups separately discussed their assigned areas, and at 4:30 the full Commission was reconvened.

Chairman Steiger began by asking Subgroup C to present to the Commission the issues they had identified in their meetings. Mr.

Allan Ostar, as the Chairman of this subgroup, began by explaining that the subgroup was looking at administrative issues, and would need the help of the Veterans Administration in gathering data and other information for their studies. The first issue the subgroup had identified involved some sort of reimbursement of the military pay reductions required of Chapter 30 participants. The subgroup wants to study the circumstances under which some sort of "refund" could possibly be made.

The second major area of concern, and of more long range significance, involves studying the organization and administrative structure of the VA's Vocational Rehabilitation and Education Service to meet the future growth of new programs. The subgroup sees the organization structure to be critical to improving the overall effectiveness of the administration of the programs. This is to include examining the compliance and liaison areas, automation procedures, and achieving standardized administrative procedures. The subgroup wants to achieve better coordination of education services, program efficiency, and consolidated processing and duties. There may be a need for some type of out-based veterans' representative on campus program again as part of a consolidation effort. This may be accomplished by vocational rehabilitation counselors acting in an expanded capacity to cover all education programs. Chairman Steiger emphasized that in the event this is found feasible, adequate position grade levels must be assigned so that the best possible people can be found to do the work. Lower grade levels will not support an effective workforce.

Subgroup C also would like to consider whether or not provisions should be made for paying benefits for less than half-time training under Chapter 106. Also, there may be a need for making benefit improvements in the Chapter 34 program. Another area Subgroup C would like to study is how to reduce VA processing time and release of benefit payments to eligible persons. Along this same line would be consideration of reporting fee increases to schools as reimbursement for administrative costs. Part of this same process would be the goal of improving communications on an on-going basis with veterans, schools, State approving agencies, service organizations, Department of Defense, and Congress. The Subgroup would like to examine whether or not there is a continuing need for certain protective restrictions and whether there may be a need for any new or revised ones.

The Subgroup would like to examine the possibility of extended Chapter 34 eligibility based on military service involuntarily terminated before July 1, 1988. Another issue on which the Subgroup focused was the issue of individuals who were discharged from the service just a few days short of the 24-month enlistment period required for Chapter 30 eligibility, but who were considered by the Department of Defense to have completed their enlistments rather than having been discharged for the "convenience of the Government". Chairman Steiger pointed out to the Commission that certain issues, such as these, could be addressed "out of time" to the Congress, if the Commission believed a specific recommendation of immediate concern needed to be made.

Dr. John Petersen, as Chairman of Subgroup B, stated his group wants to examine the approval process. He noted that there are over 70 State approving agencies and the Veterans Administration involved in the process. The need to eliminate duplication is an issue that should be addressed. More information, however, is needed. The subgroup had discussed the continuing need for State approving agencies as compared to the merits of improving the present system. The Subgroup identified considerable support for the latter approach.

The Subgroup wants to examine how to achieve better training between the Veterans Administration and the State approving agencies as well as improvement in the funding for the SAA's. There was discussion on the development of a national curriculum for SAA personnel. The group noted that some State approving agencies are funded solely by the Veterans Administration while others also have additional state funds available. Improvement in cooperation and effectiveness is another goal. The group noted that State approving agencies also are responsible in many cases for administering State laws as well as their Federal responsibilities for veterans' programs.

Dr. Petersen said that data and information will be needed on how all State approving agencies are funded and the number that also get state aid. Information on the legal environment SAA's work under will be needed. The subgroup is concerned whether or not there are any behavior differences vis a vis the support or funding received by the various State approving agencies. He noted that some of the Commission members plan to visit their local State approving agency for more information.

Mr. Ketels remarked that the VA's Office of Program Analysis and Evaluation was just starting to make a study of the role of State approving agencies and the Veterans Administration in the approval process. The primary focus of that study is whether the current system is cost effective in view of the comparatively fewer numbers of trainees in the system. They also are planning to examine the State approving agency system along with the Department of Education's approval system and the role of accrediting associations. The Commission could utilize the efforts of this study already in process. Chairman Steiger added that the focus of the Commission would be to improve the process and to eliminate duplication of effort. Ms. Jill Cochran noted that any recommendation that the Department of Education carry out the approval function for the Veterans Administration would not be likely to be acceptable to Representative Montgomery, Chairman of the House Veterans' Affairs Committee.

Subgroup A, concerned with measurement issues, will be looking into how to simplify the benefit rate determinations, according to Ms. Bertie Rowland, Chairman of this subgroup. They want to look at the Department of Education's methods and reports involving their measurement processes and standards, such as the more simplified measurement criteria used for the Pell Grant program. In addition, private industry often reimburses its employees for training or schooling and makes its own determination as what constitutes "full-time training." The subgroup, therefore, would like to examine some industry models for comparison purposes. It was suggested that a survey be prepared for various educational institutions, groups, and organizations, in order to examine different systems and concerns. Subgroup A's main concern is in standardizing the process with other agencies. The main idea is to be more consistent.

As part of the measurement concerns, independent study at institutions of higher learning is to be examined, as well as nontraditional programs, standard class sessions, and accrediting associations' criteria and standards for measurement.

Also of concern, Ms. Rowland said, was why those participants in the Chapter 32 (VEAP) program "jumped the boat." Why have there been so many refunds of contributions? It may be that due to the complex measurement provisions of the VA, many veterans were not getting as much money as they thought they would. As a result, they decided to disenroll from the VEAP program and get their contributions refunded. She noted that the earlier presentation to the Commission stated there had been a refund rate of over 43 per cent. In this regard, Ms. Jill Cochran noted that the problem could be with dollars, but that they should check with the varicus service program managers.

Chairman Steiger asked whether a survey instrument could be prepared by September 1 for distribution to the Commission members. Mr. Ostar added that the American Association of State Colleges and Universities, of which he is President, would look into the possibility of joining the survey. No decision on a timeframe was made definite at this time. Chairman Steiger also noted that plans are now being made for a VA Education Liaison Representative Conference in January 1988 in Orlando, Florida. The Commission will consider sending a delegation to that conference to talk with the representatives there. The Chairman said that possibly at least one member from each of the subgroups could attend. Ms. Rowland also mentioned that there would be a NAVPA conference in Baltimore in October, and members of the Commission may want to consider attending that. Mrs. Steiger remarked that members need to come up with an agenda of issues and questions that they will be exploring before actually going.

It was agreed that the next full meeting of the Commission would be held on November 16, 1987, in the Veterans Administration Central Office in Washington, D.C. There being no other matters at this point for discussion, the meeting was adjourned at 5:15.

Attachments: Handouts presented before the Commission

Recorded by Mr. A. Wayne Taylor

Certified correct: Janet D Steiger
JANET D. STEIGER
Chairman

MINUTES OF THE COMMISSION TO ASSESS VETERANS' EDUCATION POLICY

November 16, 1987

Veterans Administration Central Office - Room 1015

The meeting was convened by the Chairman at 9:15 a.m. Those in attendance were:

Members:

Mrs. Janet D. Steiger, Chairman
Mr. William A. Fowler
Mr. Charles R. Jackson
Mr. Oliver E. Meadows
Mr. Allan W. Ostar
Dr. John C. Petersen
Mrs. Bertie Rowland
Mr. C. Donald Sweeney
Mr. John F. Wickes, Jr.

Ex Officio Members:

Ms. Jill Cochran, Representative of the Chairman, House Veterans' Affairs Committee
Mrs. Celia Dollarhide, Representative of the Administrator of Veterans' Affairs
Mr. Darryl Kehrer, Representative of the Chairman, Senate Veterans' Affairs Committee
Mr. James Parker, Representative of the Assistant Secretary for Veterans' Employment and Training, Department of Labor
Mr. Leo Paszkiewicz, Representative of the Assistant Secretary for Postsecondary Education, Department of Education

Executive Director: Ms. Babette Polzer

Representing the Veterans Administration:

Mr. Chuck Fountain, Analyst, Office of Program Analysis & Evaluation

Ms. Marcelle Hibibion, Veterans' Administration Study Leader, Office of Program Analysis & Evaluation
Mr. Robert H. Ketels, Chief, Central Office Operations Staff, VR&E
Ms. Jackie Kincaid, Analyst, Office of Program Analysis & Evaluation
Mrs. Mary F. Leyland, Deputy Director, VR&E
Ms. Barbara Magnuson, Attorney, General Counsel
Mr. Thomas W. Ratchford, Legal Consultant, Program Administration, VR&E
Ms. June Schaeffer, Assistant Director, Policy & Program Administration, VR&E
Mr. Stanley R. Sinclair, Debt Management Staff Director, DVB
Mr. William G. Susling, Education Advisor, Policy Staff, VR&E
Mr. Ted A. Van Hintum, Assistant Director, Field Operations, VR&E
Mr. Gerald R. Weeks, Chief, Procedures Staff, VR&E
Mr. Alan R. Zoeckler, Chief, Program Administration, VR&E

Visitors:

Mr. Jerry Cerasale, Attorney, Postal Rate Commission
Ms. Maureen Drummy, Special Assistant to Chairman, Postal Rate Commission
Ms. Alfreda Liebermann, Special Assistant to the Assistant Secretary for Postsecondary Education, Department of Education

The Chairman of the Commission, Mrs. Janet D. Steiger, presented her opening remarks and expressed appreciation to the Veterans Administration for providing the meeting place for the Commission. She stated that during the morning session there would be presentations from two of the Commission members regarding the Commission's participation at the NAVPA Convention in Baltimore, new Department of Education guidelines for improving the quality in higher education, a report on a study concerning the State Approving Agency by the VA Office of Program Analysis and Evaluation, and an update on the survey by the Commission. Mrs. Steiger said that during the afternoon session the Commission would break into subgroups to discuss separate issues. Mrs. Bertie Rowland and Mr. Allan Ostar were asked to present their information from the NAVPA convention to the Commission.

Mr. Ostar stated that he would defer to Mrs. Rowland to make the formal presentation to the Commission concerning their participation at the NAVPA Convention on October 27, 1987. Mrs. Rowland began her presentation by stating that she was impressed with the convention. She then furnished information on several areas of concern that were addressed at the convention. The first was the work study program provided by the Veterans Administration. The participants at the convention suggested that the program needed to be expanded to allow veterans to participate in areas related to their major fields of study rather than only being allowed to work in VA-related jobs and to include Chapter 35 and Chapter 106 trainees. She said that the number of work study students seems to be going down in numbers which may be due to budgetary constraints.

Mrs. Steiger asked whether the law restricted the payment to VA related jobs. Ms. June C. Schaeffer answered that it was in the law and gave a brief overview of the program and what it paid. Mrs. Rowland continued by saying that, based upon the comments made at the convention, it appeared that VA regional offices were not implementing the work study program in a uniform manner. There were also concerns about the length of time it was taking for payments to be made as in some instances it was taking months to receive payments. There was discussion at the convention on ways that these payments could be expedited. One of the alternatives discussed was whether payments could be made directly to the schools rather than the veterans. There was also concern that many students were working without contracts while waiting on the approval of their benefits. The question was asked; "Why the delays?". One answer was to guard against overpayments being made against the students.

Mrs. Rowland's impression was that the program was basically "needs based" but did not have specific requirements. The program is turning out to be for students who need financial assistance, but do not qualify for other programs of aid for education. She asked the amount that was in the budget for this program. Mr. Robert H. Ketels stated that the program was administered by the Veterans Assistance Service and that he did not have exact figures. Ms. Schaeffer said that there was no maximum amount in the budget for this program. Mrs. Steiger stated that it appeared the program was self-limited, governed by job openings.

Mrs. Rowland's second topic of discussion was measurement. She informed the Commission that the individuals at the convention felt that the rules were too restrictive and difficult to implement in regards to the "seat time" and "standard class sessions". Carnegie Units should be used as criteria for payments, not these other devices.

The VA was criticized for not publishing regulations in a timely manner. The Montgomery G.I. Bill - Active Duty, (Chapter 30) regulations were mentioned in particular. It was also stated that regional offices failed to provide IHL's with circulars even after the offices had received them from other sources. The participants at the convention said that they are constantly told that the VA's printing budget does not allow for the printing of the circulars to be sent to schools.

The next area of concern was the limitation on changes of veterans' programs. It was felt that there should be no limitation on the number of program changes that could be made.

There were also questions about independent study courses having to be approved for each student by the State Approving Agency and the VA. There was discussion concerning the way that independent study is approved. Mr. Donald Sweeney, replied that it was his impression that independent study is not approved on an individual basis. Mr. Ketels stated that the majority of independent study courses are approved if they are a part of the catalog and meet approval requirements. Mrs. Steiger introduced a letter from Mr. Ron Kimberling of the Department of Education addressing the issue of independent study.

Another area of discussion at the convention was VA payment for double majors. It was felt that determination of the limits for reasonable double majors was not the VA's job, but the school's responsibility. Mr. Sweeney stated that if it was a structured program, he did not see the problem. Ms. Schaeffer stated that excessive credits for two programs may lead to a change of program. Mr. Sweeney said that it appears the gray area is the thing that needs to be looked at, rather than the entire aspect of double majors. Dr. John Petersen, asked if we are sure there is a problem.

The next area Mrs. Rowland mentioned was monthly certification cards. The validity of "cert cards" was questioned at the convention. It was felt that they were redundant and not useful. A statement was made that monthly certification cards "have "killed" the NCD program and now they plague the Chapter 30 benefits program.

The next topic of discussion was the annual reporting fee. The $7 fee was called obsolete.

There was also discussion at the convention as to why the VA recommends continuance of the current school liability program when the Cost Effectiveness Study shows that it is not cost effective.

The convention participants suggested that each regional office should have an advisory committee for communication between the regional office and schools. The feeling was that the station Directors would contend that a separate commission at each regional office would be redundant.

The cost-effectiveness of the collection of overpayments which were more than 10 years old was questioned by the convention participants.

The current mitigating circumstances guidelines were also an area of concern. It was felt that the VA should be more flexible in its interpretation of the guidelines. The feeling was that students today are different than in earlier times and that the agency's interpretation of mitigating circumstances should be relaxed.

The convention also discussed whether remedial course work was payable under the Montgomery G.I. Bill-Active Duty (Chapter 30). It was explained by Ms. Schaeffer that individuals training under the Chapter 30 program must have a high school diploma to be eligible for benefits and that any training pursued must be postsecondary in nature.

Chairman Steiger asked, how this affected the non-credit courses that many schools require students to take before they can get their degrees.

Ms. Schaeffer explained that there is a difference between remedial courses that are post-secondary in nature as opposed to high school courses. Dr. John Petersen stated that he feels that there will probably be more students needing remedial courses in the future than there have been in the past. Mrs. Rowland was under the impression that remedial courses were not allowed and felt that clarification was needed concerning these courses.

Mrs. Rowland continued by saying that the convention participants felt that the Commission was necessary. She then asked Ms. Babette Polzer if there was anything else that should be mentioned that she may have omitted. Ms. Polzer gave a summary of several items she felt needed to be brought to the attention of the Commission. The major item was a discussion of the different alternative ways to pay Chapter 30 benefits to individual participants. One suggestion was that participants should be given their contribution of $1200 up front and that the $1200 not be considered in any overpayment that might occur.

Mrs. Mary Leyland reminded the Commission that the $1200 deducted from an individual's pay was not a contribution, but a reduction in the individual's pay. Since there are no provisions for refund under Chapter 30, in the talks concerning cases where an individual dies before receiving his or her benefits, the money a beneficiary would receive would be a death benefit not a refund of the contribution.

Mr. Darryl Kehrer stated that in the discussions that are in progress, the chances are slim that the money deducted from an individual's pay would be changed from a reduction in pay to a contribution.

Mr. Leo Paszkiewicz discussed the new Department of Education Guidelines for Improving Quality in Higher Education. He began his presentation by discussing the Department of Education's publication of September 8, 1987, dealing with new criteria for accrediting agencies and other guidelines for improving quality of education. The guidelines do not provide as much control of education as one would think. The Department of Education does not have the same control there is in some foreign countries, where there is a Minister of Education. The control is distributed throughout the country in each individual state.

In 1959, the first assistance program only had a few million dollars going into higher education. Now, through the Pell Grants, student loan programs and other education programs, the annual amount totals nearly $14 billion for postsecondary education.

The Secretary of Education is putting more emphasis on accountability. The default rate on loans is over 10%. This amounts to payments to lenders of over $1 billion annually, with the amount of defaults increasing each year. It is expected that there will be $1.5 billion next year. The accountability of the institutions is being looked at more closely. The Secretary has proposed looking at institutions with default rates in excess of 20% and terminating student participation in the Guaranteed Student Loan Program at those institutions. This is not proposed for next year, but may be initiated by the 1990-1991 school year. The emphasis is being shifted toward placing some of the responsibility on schools, to get them to counsel their students in regards to the importance of the repayment of their student loans.

Some of the other areas of concern are student achievement (Are students getting what they are paying for?); student and consumer rights; administrative assistance where different accrediting agencies; honor the decisions of other agencies, preadmission counseling to protect students' well-being; and the Department of Education being notified of actions against schools. The Secretary looks to accrediting agencies to make quality judgements concerning schools for the Department of Education.

The Department of Education depends upon the accrediting agencies to assist it by not accrediting a school that another agency has rejected or has removed its accreditation. It is looking for the different accrediting agencies to work together. It is also asking for information from accrediting agencies to know what they are doing.

In the area of students' benefit criteria, the Department of Education would like to see things such as preadmission tests, etc., to stop the practice of schools accepting students who are not prepared for a particular program—just to get the money with no consideration as to whether the student will be successful in his or her training. In many instances the student will not be able to succeed in a particular program and this keeps the student from wanting to pursue another program. On the other side of the issue, the major concern of the accrediting agencies is that they feel they are being overregulated by the department. Chairman Steiger asked Mr. Paszkiewicz which criteria he felt would survive from of the proposal.

Mr. Paszkiewicz felt that the areas of more information being furnished by the accrediting agencies and better coordination between the accrediting agencies and the Department of Education (to keep institutions from being able to shop around among the different accrediting agencies) stood a good chance of surviving. He also felt that some of the assessment issues concerning students would also survive. He stated that the Department of Education programs are dealing with different dollars than the VA, and there was more emphasis being put on accountability.

Mr. Meadows reminded the Commission that the mood over the past 40 years had changed and that things were different today. With the budget trends of today, there is no loose money for any agency. For this and other reasons, we need to look at the budget picture and then think about any recommendations that can be made to Congress to improve the flow of the money.

During a discussion among the Commission members, it was brought out that perhaps banks as well as the schools should be held more accountable for the repayment of loans. Dr. Petersen felt that the schools were being depended upon to reduce the number of defaults that were present.

Mr. Wickes asked what the percentage ofabuse is with respect to VA benefits in education loans. Mr. Kehrer replied that student abuses were not in the field of student loans with the VA programs.

Mrs. Leyland informed the Commission that 60% of VA education overpayments are of the "shoot self in the foot" kind, which deal with overpayments which occur as a result of mitigating circumstances not being accepted by regional offices. Individuals are paid for the course if they complete the entire course, even if they receive an "F". However, if they drop a course without acceptable mitigating circumstances, the reduction is effective back to the beginning of the term.

Chairman Steiger asked if we could get the amount of VA education program overpayments and the percentage of the different kinds of overpayments. Ms. Polzer stated that she would try to get Mr. Stanley Sinclair, the Director of Debt Management to provide some information after the break.

The Commission recessed at 10:50 and reconvened at 11:15.

Mrs. Steiger introduced Mrs. Marcelle Hibibion, Study Leader, from VA's Office of Program Analysis and Evaluation. Mrs. Hibibion expressed her appreciation to the Commission for allowing her to tell them about the study of the State Approving Agencies. She introduced two members from her staff (Mr. Chuck Fountain and Ms. Jackie Kincaid). Mrs. Hibibion gave a video presentation on the study that they were conducting of State Approving Agencies. She stated that the study had been requested by Mr. Vogel, Chief Benefits Director.

Mrs. Hibibion provided background to the study and listed 3 separate aspects of the study:

1) Objective
2) Methodology
3) Milestones

The peak period for reimbursement of SAA expenses was from 1982 to 1984 with $12.5 million. In 1987 this figure was down to $9 million. The actual dollar amount expended was even less. When the number of veterans in training peaked in 1976, $10 million was expended for SAA's. The Montgomery G.I. Bill-Active Duty will increase the participation of veterans.

Mr. Meadows asked if there were any alternatives to compare to this study or will the results just be accepted. He also asked what other agencies they had talked to concerning how the other agencies operated.

Ms. Kincaid said that they had visited the Department of Education and the Department of Labor. They spoke with these agencies to see what they are doing in the area of approvals.

Mrs. Hibibion stated that she would be glad to share the results of the study with the Commission.

Mrs. Steiger expressed her appreciation for the presentation and stated that the Commission looked forward to hearing the results of the study.

Mr. Stanley Sinclair, Director of Debt Collection, was introduced to the Commission and said that he would try to answer any questions concerning the amounts of education debts. He was asked, the percentage of the debts which are student-related, what percentage are VA-related, and the percentage which are school-related.

Mr. Sinclair stated that his major concern was debt prevention rather than having to revert to debt collection. He told the Commission that although he did not have the exact figures with him, the amount of debts that were attributed to the VA and to schools was small, about 10%, while the remainder were debts caused by veterans. The majority of the debts incurred by veterans was the result of not reporting changes in enrollment in a timely manner (60%). His recollection was that about 15% to 20% were unavoidable debts (of the nature that they could not be helped). An example was not being able to stop an award before another check was released.

There were 506,000 education account receivables amounting to $315 million at the beginning of the year. At the end of the year, there were 323,000 account receivables totaling over $220 million. He feels that the VA should liberalize the requirements regarding mitigating circumstances as a major debt prevention initiative.

Mr. Darryl Kehrer, Representative of the Chairman, Senate Veterans' Affairs Committee, said that there are ongoing meetings taking place concerning the issue of mitigating circumstances. He feels that there is general agreement on this issue.

Chairman Steiger asked if the VA was considering accepting the school's statement as one of the alternatives. Mr. Sinclair said that would be one option. Other ways mentioned were to accept the student's statement of mitigating circumstances and develop afterwards, if the circumstances warrant. Another option is to accept a certain number of credit hours of mitigating circumstances without question and then develop once the maximum had been reached. Development action would be taken on all subsequent situations.

Mrs. Rowland asked Mr. Sinclair if he had the figures on the number of advance payments that had resulted in overpayments in Chapter 30 cases. Mr. Sinclair did not have any figures and said that his contact with Chapter 30 was small to date. This is an area that he is now examining. He said that he would be glad to share any data he has with the Commission.

Mrs. Steiger asked why the records concerning debts are not all in the same place. She was interested in whether there was a problem with computerization or the lack of computerization. Mr. Sinclair responded that he was only involved with debt collection and could not answer the question, but that the VA was looking for ways to get all collection data into the same data system. Chapter 30 was one of the top priorities at this time for the agency's data management people.

Mrs. Steiger then asked Ms. Polzer for her presentation concerning the status of her survey. Ms. Polzer informed the Commission that she had sent out approximately 5000 surveys to schools and SAA's. She did not send surveys to Education Liaison Representatives (ELR's), but would send them copies at a later date. She has received only 467 responses to date. The responses she has received are from a wide range and it is too early to have any real feel concerning the results.

Review of the small percentage returned indicates that responses are focusing on liaison and training activities. Of the surveys that have been analyzed, 236 provided positive rather than negative replies. Some of the negative responses received:

1) Did not know of the training offered by the VA
2) Lack of money for training
3) New and experienced personnel should be in separate training classes
4) The national guard and reserve should be included in training
5) More active participation by the schools in the training

She also listed some suggestions received for improvements on the part of the VA:

1) Improve processing time
2) Improve on the number of documents lost
3) Better reading of correspondence
4) Decrease in personnel at VA is a concern
5) Should establish an education unit at regional offices
6) Should have a separate phone line for schools to call VA
7) Improve confusion over chapter 32 rates
8) Provide a list of veterans receiving benefits to schools
9) Should provide schools with copies of letters to veterans concerning mitigating circumstances
10) Interest in communicating with the VA by computer
11) Target down-time is a concern
12) Centralizing chapter 30 processing in St. Louis is not good
13) Schools being able to certify documents
14) Increase the reporting fees

Most of the surveys reviewed to date indicate that the measurement system is fair. Only a few have problems with compliance surveys, except that they would like to know when the VA is coming to the school for a survey to assure that the proper personnel are present to provide the necessary information.

Ms. Folzer was asked who was completing the surveys. She replied that the surveys are being filled out by registrars, deans, personnel from Veterans Affairs, administrative assistants, and certifying officials.

Chairman Steiger stated that if there was nothing else to report on the survey, the Commission would break for lunch. The afternoon session would be in different meeting areas.

After the lunch recess, the Commission reconvened in their subgroups, which had been established for the discussion of specific issues. The subgroups met until 3:45 then reconvened into one group to share the results of their separate discussion.

Subgroup C – "Administrative Criteria"

Mr. Jerry Weeks reported that the Subgroup was looking into several items with an eye towards standardizing the rules applicable to the various VA programs. They wanted to recommend that, as much as possible, all VA programs be standardized. In keeping with this theme, they recommend that Chapter 30 and 106 be amended to permit pursuit of remedial courses on the same basis as for Chapter 32. That is, students may pursue remedial courses, but with a charge to entitlement.

The subgroup discussed the DOD tuition assistance program and the manner in which the military services operated that program throughout the country.

The issue of providing for refund of the monies withheld from individuals' military pay was reviewed. In addition to the death benefit proposal, the Subgroup thought that refunds may be in order in other situations, such as when an individual who has paid $1200 and then becomes eligible for Vocational Rehabilitation and those who die after being discharged.

Another matter discussed by the Subgroup was a proposal to expand the work study program to all VA programs and to review the feasibility of extending the work which could be performed by work study students to other than VA-related areas.

The Subgroup also discussed issues which were involved when eligible students pursued double majors. Mr. Weeks indicated that there was concern as to whether this was really an issue of any significance. It was decided that double majors was a matter which should be looked at further.

VA examination of the details of each eligible student's courses and whether it is proper for a government agency to be getting so involved in monitoring program changes by eligible students was discussed.

The Subgroup discussed the adequacy of reporting fees paid to schools and whether alternatives to the present system of determining the fee to be paid to schools should be examined. Mr. Meadows asked Ms. Rowland what NAVPA member institutions would think about being paid 3 times for 3 quarters each school year rather than the present system of being paid once based on October's enrollments. She responded that it would depend on the fee, but that it would likely encourage term-by-term certification by schools.

Mr. Weeks said that the Subgroup had also considered recommending that deficiency, remedial and refresher courses be permitted under Chapters 30 and 106 when the training was offered by an institution of higher learning. He explained that he was referring to secondary-level courses which students were required to take due to their lack of competency in the subject area.

Chairman Steiger suggested that the Subgroup may want to prepare alternative recommendations for consideration by the entire Commission. Mr. Ostar said that he would be pleased to work with Mr. Weeks on preparing the recommendations.

Subgroup B - "The Approval Process"

Dr. Petersen discussed Secretary Kimberling's letter about the SAAs. He said that the Subgroup was not prepared to adopt the Secretary's recommendations. He noted that SAAs approve many nonaccredited programs and apprenticeship and other on-the-job training programs which are not covered under the accreditation of any recognized accrediting body.

Mr. Sweeney had provided the Subgroup with data compiled by NASAA (National Association of State Approving Agencies) which shows that SAAs provide much more of value than they receive from the VA. The study shows that there is an 18% gap between the work performed by the SAAs and the funds they receive from the agency.

Since the Commission's last meeting, the VA has changed its contract with the SAAs to eliminate the requirement that each school which had even one eligible student enrolled must be visited each year. Under the new contract terms SAAs are given discretion in making their supervisory visits.

The Subgroup had discussed the idea that nonaccredited schools be assessed a fee by the SAA to cover the cost of approval. This will likely become a recommendation of the Subgroup.

The training of SAA personnel was discussed at length by the Subgroup. The members consider that it is essential that the SAAs be provided with the necessary training to continue to provide quality services.

Dr. Petersen said that he would put together a progress report which he would provide to each of the members of the Subgroup and to the Chairman.

Subgroup A - "Measurement"

Ms. Bertie Rowland reported that the Subgroup had decided that the best approach to measurement was to eliminate standard class sessions and rely solely on the number of units (or clock hours) pursued by students.

She asked why there is a difference in the law between the way accredited and nonaccredited programs are measured. Mr. Meadows said that he believed that the distinction was to account for the difference in the control over schools' courses. He noted that at one point the law provided for approval of schools and that this had proved to be a mistake since some courses could be offered which were not accredited. It was for that reason that the Congress changed the law to provide for course approval.

Ms. Polzer asked Mr. Sweeney if he could provide the names and addresses of several nonaccredited schools. He indicated that he would do so.

The Subgroup favored eliminating the distinction in measurement for VA payment purposes when students take courses which may be used for completion of both degree and nondegree programs.

Ms. Rowland said that the 85/15% requirement did not apply to Chapter 106 and that for uniformity the Subgroup would be recommending that the law be changed. The advisability of extending this provision to include Chapter 106 was discussed. Some programs are specifically designed for reservists. To apply the 85-15% requirement may not be the answer in all cases. Mr. Meadows noted that some provision for waiver could be incorporated into the change.

The Subgroup had discussed how independent study courses are identified and measured by the VA. Perhaps a system such as that used by the Department of Education for its Pell Grant Program could be used whereby once a milestone is reached, funds are disbursed to eligible students.

VA procedures for handling mitigating circumstances was the last issue discussed by the Subgroup. The consensus of the members was that what the VA presently accepted as mitigating circumstances should be broadened.

Ms. Rowland said that she is prepared to put the Subgroup's positions onto paper for the Commission's consideration.

Mr. Sweeney suggested that the VA should be producing consolidated reports on all its various education programs. Ms. Mary Leyland said that the VR&E Service had pushed reports consolidation as high as possible on the list of data projects, but that for 1988, no such consolidation would materialize.

The Chairman said that it appeared that VA needed the Commission's support to push reports consolidation. She then noted that if anyone had any suggestions on items on which the Commission may want to offer its immediate support, they should let it be known.

Mr. Meadows mentioned the pending death benefit proposal for Chapter 30 participants and noted his reservation to supporting a change in the law which would allow for a death benefit only for those who die on active duty. Ms. Jill Cochran said that the current version of the proposal included a death benefit for those who die while on active duty and for those who die within a ten-year period following discharge with the death benefit being pro-rated.

The Commission discussed holding field hearings. Mr. Sweeney said that he thought that field hearings should be held prior to the issuance of the Commission's initial report.

Ms. Polzer said she thought that the trade associations, such as AICS and NATTS should be given an opportunity to appear before the Commission to express their views.

The Commission decided to meet again before they hold field hearings. The Commission will meet in January and at the same time Ms. Polzer will begin organizing field hearings to take place in February.

It was agreed to hold the next Commission meeting on Monday, January 25, 1988, in Washington, D.C.

Ms. Polzer said that she would contact the Commission members individually regarding holding field hearings on a geographic basis. She indicated that the members appeared to be split equally on a geographic basis.

Mr. Ostar said that he would try and get a conference room at One Dupont Circle for the Commission's next meeting.

The Chairman adjourned the meeting at 5:10 PM.

Recorded by: Mr. Thomas Ratchford
Mr. Alan R. Zoeckler

Certified Correct: JANET D. STEIGER
Chairman

UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION

NOV 12 1987

Mrs. Janet D. Steiger
Chairman
Commission to Assess Veterans'
Education Policy
Postal Rate Commission
Washington, DC 20268-0001

Dear Mrs. Steiger:

Unfortunately my schedule will not permit me to attend the next Commission meeting on November 16. I regret this unavoidable conflict very much, since I consider the Commission's work to be of great importance. Mr. Leo Paszkiewicz will represent me at the November meeting.

I wish to make three recommendations to the Commission relative to how Veterans Educational benefits can be delivered more effectively.

Systems Improvement - I recommend that the Commission seriously examine the manner in which benefits are being delivered to Veterans and consider more cost effective methods. The Department of Education manages a multi-billion dollar program of grant support to nearly three million students through the use of private contractor support. The cost of processing per applicant is less than one dollar (91 cents) per application. The VA should be strongly encouraged to explore private contracting for application processing, especially in light of the President's emphasis on privatization. Again, I invite you and members of the Commission to visit our Pell Grant processor in Iowa City and witness the manner in which this program functions.

Accreditation and measurement are two areas where existing models exist and can be used by the VA to good advantage. Postsecondary education personnel should not be forced to use a totally different set of measurement procedures when dealing with Veterans programs. This is onerous to school officials and must certainly contribute to error in the program. The state approval agency process as we understand it, is an anachronism, notwithstanding the sincerity and professionalism of state approval agency personnel. The number of Veterans pursuing higher education cannot justify maintaining and Federally funding these entities. Recently, we published proposed rules which describe how this Department's accreditation process works. A copy of these rules as well as the accompanying press materials was provided to the Executive Director of the Commission. I believe a system which recognizes basic accreditation and which places enforcement of any VA specific rules on course limitation at the institutional level will be less costly, more modern, and more efficient than the present highly regulated structure.

Independent study. - Finally a simple problem, yet one which I feel compelled to address, deals with the manner in which the VA provides benefits for independent study. Most institutions of higher education have a set limit on the number of credits an individual may earn through independent study. The VA, however, has a policy which provides for reduced benefits if independent study courses exceed half the credit-hour load in a given academic term, but without limit to the overall number of credits earned. The limitation should not be calculated each academic term of study, but rather should be limited to a percentage of the work needed to complete a particular course of study. I would recommend 25%, or 30 credit hours, as a limitation for those seeking the bachelors degree.

Thank you for providing task-oriented leadership to the Commission and for soliciting these comments. I will be happy to discuss the above points at your convenience.

Sincerely,

C. Ronald Kimberling

C. Ronald Kimberling
Assistant Secretary

THE COMMISSION TO ASSESS VETERANS' EDUCATION POLICY

Minutes of the Fourth Meeting

Monday, January 25, 1988

Held at the Postal Rate Commission Hearing Room
1333 H Street, NW
Washington, D.C.

The fourth meeting of the Commission To Assess Veterans' Education Policy was brought to order at 9:20 a.m. by the Chairman, Ms. Janet D. Steiger. In attendance for this meeting were:

Commission Members:

Ms. Janet D. Steiger, Chairman
Mr. Ross L. Alloway
Mr. William A. Fowler
Mr. Charles R. Jackson
Mr. Oliver E. Meadows
Mr. Allan W. Ostar
Dr. John C. Petersen
Ms. Bertie Rowland
Dr. Ned J. Sifferlen
Mr. C. Donald Sweeney
Mr. John F. Wickes, Jr.

Commission Ex Officio Members:

Ms. Jill Cochran, Representative of the Chairman, House Veterans' Affairs Committee
Ms. Celia Dollarhide, Representative of the Administrator of Veterans' Affairs
Mr. Geoff Gleason, Representative of the Ranking Minority Member, House Veterans' Affairs Committee
Mr. Darryl Kehrer, Representative of the Chairman, Senate Veterans' Affairs Committee
Mr. James Parker, Representative of the Assistant Secretary for Veterans' Employment and Training, Department of Labor
Mr. Leo Paszkiewicz, Representative of the Assistant Secretary for Postsecondary Education, Department of Education

Commission Executive Director: Ms. Babette Polzer

Veterans Administration Representatives:

Mr. John L. Fox, Assistant Director, Procedures and Systems, VR&E
Mr. Robert H. Ketels, Chief, Central Office Operations Staff, VR&E
Ms. Mary F. Leyland, Deputy Director, VR&E
Mr. Donald Ramsey, Director, VA Regional Office, St. Louis
Ms. June C. Schaeffer, Assistant Director, Policy and Program Administration, VR&E
Mr. William G. Susling, Education Advisor, Policy Staff, VR&E
Mr. A. Wayne Taylor, Legal Consultant, Program Administration, VR&E
Mr. Ted A. Van Hintum, Assistant Director, Field Operations, VR&E
Mr. Gerald R. Weeks, Chief, Procedures Staff, VR&E
Dr. Dennis R. Wyant, Director, VR&E

Visitors:

Ms. Vera Bagley, Director of Records and Admissions, Prince George's County Community College
Mr. Wayne Becraft, American Association of Collegiate Registrars and Admissions Officers
Mr. Steven Blair, President, National Association of Trade and Technical Schools
Lt. Col. James L. Carney, Assistant Director for Accession Policy, Office of the Assistant Secretary of Defense for Reserve Affairs
Mr. Jerry Cerasale, Attorney, Postal Rate Commission
Ms. Maureen Drummy, Special Assistant to Chairman, Postal Rate Commission
Mr. Jim Foran, Vice-President for Educational Affairs, Association of Independent Colleges and Schools
Ms. Holly Hexter, Division of Policy Analysis and Research, American Council on Education
Mr. Eugene Sullivan, Director of Military Evaluations, Center for Adult Learning and Educational Credentials American Council on Education

Chairman Steiger convened the meeting at 9:20 a.m. by welcoming everyone to the facilities of the Postal Rate Commission, where today's meeting was being held. Given the bad weather alert warnings, the Chairman commented that attempts would be made to keep the meeting on schedule and perhaps to adjourn early so that those having departing flights that day would have ample time to get to the airports before the worst of the expected snowstorm arrives. After briefly noting the agenda for the day, which Chairman Steiger described as promising to be among the most profitable and exciting to date, she introduced Ms. Holly Hexter and Mr. Gene Sullivan from the American Council on Education.

Ms. Hexter began by explaining briefly some of the programs in which the American Council on Education is involved. She noted that ACE has a longstanding involvement in addressing the needs of the adult learner population. She provided the Commission with copies of highlights from a forthcoming report of ACE. The first part of the forthcoming report, Ms. Hexter said, deals with recruitment issues pertinent to the military and higher education, and the second part with the scope of inservice and postservice involvement in postsecondary education, primarily at the college level.

She noted that demographics is the main reason recruitment issues have received so much scrutiny lately. At a time when the number of 18-24 year-olds is dwindling, the military has succeeded in recruiting an increasing share of young persons who have high school credentials, up to 93 percent in 1987. Virtually all women recruits, who now make up about twelve percent of all recruits, are high school graduates. The military plans to maintain the level of high school graduates among new recruits at a time when the pool of high school graduates is declining. The latest forecast, at least for the public high school graduates, is that the number will decline about twelve percent between 1987 and 2004. Therefore, the military's continued successful recruiting of that group has been of special interest.

An additional interest is that minority high school graduates are entering higher education at a slower rate than ten years ago, Ms. Hexter said. So the demographics cause a great deal of interest in the military's successful recruiting.

It would be, however, according to Ms. Hexter, myopic to look only at the youth pool and to ignore what is a very substantial involvement by military personnel and veterans in postsecondary education. Many surveys have shown that attaining education and training is a primary reason for enlistment. Many young people are getting their first exposure to postsecondary education while in the military, and many will go on to make use of their veterans' benefits through postsecondary education.

From figures compiled by DANTES, military personnel enrolled in more than 775,000 undergraduate and graduate courses in 1987. (These are numbers of courses and do not reflect numbers of people.) Ms. Hexter noted that 12,000 military persons in 1986 earned an associate degree, and that figure is without the Navy reporting. The numbers of degrees being earned are going up, particularly in the Army and the Air Force. In 1986, about 4,000 military persons earned bachelor's degrees and 5,000 earned graduate degrees. A lot of this education, approximately 80 percent, is taking place at public institutions.

Ms. Hexter mentioned that servicemember voluntary education is supported today by tuition assistance policies that reimburse students for betweeen 75 and 90 percent of course costs; however, that is changing, and may be more restrictive in the future.

Turning to postservice education, Ms. Hexter noted a high participation rate among new recruits in the Montgomery G.I. Bill. As of November 1987, the sign-up rate averaged more than 77 percent throughout the services, ranging as high as 93 percent for the Army. Since July of 1985, the inception of the program, 430,000 out of 685,000 eligible personnel have enrolled. ACE has been interested in taking the projections for total numbers of trainees under the Montgomery G.I. Bill and selected other programs to see what these numbers might mean in terms of incoming enrollments for postsecondary institutions, by making certain assumptions.

Ms. Hexter has selected only participants under Chapters 34, 32, 30, and 106, and is aware, therefore, that the size of the veteran population is slightly understated. The assumptions are that 80 percent of Chapter 34, 90 percent of Chapter 32 and Chapter 30, and all of the Chapter 106 trainees would be using benefits for college. By 1993 almost 486,000 veterans will be enrolled in colleges under these programs, more than 170,000 more than are currently enrolled. To put these numbers into perspective, Ms. Hexter noted that the prospective users represent about four percent of total enrollments in higher education, which is currently around 12.2 million. If history is a guide, most of these veterans will be attending public institutions. The pattern of Chapter 34 enrollments, for example, is consistent with the distribution of higher education enrollments generally. As of April 1987, 77 percent of veterans using the Vietnam Era G.I. Bill benefits had enrolled in public institutions.

This data indicates that there may be some competition between the military and higher education, if colleges attempt to enroll the same numbers of college age youth and if, in fact, the military and higher education are drawing from the same pool of high school graduates. More significantly, colleges should be aware that the military will continue to generate enrollments in civilian institutions. Many will have chosen the military as a vehicle for obtaining financial assistance for college, unless they represent a highly motivated adult student population. What the forthcoming ACE publication is intended to say is that it is in the colleges' interest to learn more about this population as the next wave of G.I. Bill benefits crests and to prepare to serve this population or to serve them better.

Mr. Gene Sullivan followed by noting that ACE has been involved with the military since 1945, when they first started evaluating military training in terms of equivalent academic credit. ACE believes that learning, wherever it takes place, should be recognized. ACE now evaluates formal training courses and military occupations for the Navy, Army, Air Force, Coast Guard, and in recent years has started evaluating courses offered by the Reserve and National Guard. The credit recommendations are generally accepted by most institutions across the country. In fact, Mr. Sullivan said that about 75 percent of all postsecondary institutions in this country recognize the ACE credit recommendations, which are published every two years in a three-volume book called, "The Guide To the Evaluation of Military Experiences In the Armed Services," and are sent out to every accredited college. A supplement is also published every six months. Beginning in September 1988, the guide will be expanded to four volumes.

Mr. Sullivan explained that ACE does not do the evaluations themselves, but relies on faculty members and administrators from colleges to serve on evaluation teams. The teams visit military installations and will generally spend two or three days reviewing curricula, visiting laboratories and classrooms, and talking with instructors and students before making a decision as to whether or not a given course or military occupation is worthy of a credit recommendation. It is a simple process and relies on peer judgment in a given field.

Insofar as the Servicemen's Opportunity College (SOC) is concerned, which is a program for the Army at the associate degree level, Mr. Sullivan said that from Fiscal Year 1983 through Fiscal Year 1987, a total of 537,854 credits were awarded by approximately 70 institutions that makeup the SOC network. Taking a conservative tuition cost estimate of $50 per credit, that represents $27,892,700 over a four-year period for the Army alone at the associate degree level. The military evaluation program is funded by the Department of Defense through DANTES in Pensacola, Florida.

In response to a question from Dr. Petersen, Mr. Sullivan explained that the evaluations are generally performed on an invitational basis. They also rely on the military services to send them formal programs of instruction.

Mr. Ostar reminded the Commission that the SOC program is for the Army and that the Navy has a similar program. The Air Force, however, has an entirely different approach through its Community College of the Air Force (CCAF), which operates as its own degree-granting institution, whereas the Army and the Navy use existing community colleges.

Following Mr. Sullivan's presentation, Mr. Sweeney took the opportunity to brief the Commission on a recent conference report from the Maine Department of Education and gave the Commission members copies of the just published report. He noted that the Maine meeting on December 9, 1987, was intended to address those issues which are critical to educational achievement within the military population, such as accessibility, especially in terms of geography. He mentioned that the University of Maine has a plan to implement telecommunications instruction, which Maine does not already have.

The Commission discussed some of the points made by both Ms. Hexter and Mr. Sullivan, especially the idea of competition between the military and higher education. Mr. Ostar admitted that there is a continuing decline in the number of 18 year-olds and that there had been projections there would be a decline in college enrollments; but, in fact, he said, that has not happened, and there has been an increase in the number of adult part-time students going to college. Mr. Ostar rejected the idea that there is competition, saying that instead it is opening up opportunities for more people to go to college. The competition that we do see is for the better students with higher SAT and ACT scores. He noted that the military continues to put emphasis on education for men and women in the service. They want every noncommissioned officer to have at least an associate or equivalent degree, and each commissioned officer to have at least a bachelor's degree or equivalent, which puts a lot of pressure on new recruits not only while in service but also postservice.

The Commission then heard from Lt. Colonel James L. Carney of the Office of the Assistant Secretary of Defense for Reserve Affairs regarding the Chapter 106 program for reservists, which he considers to be a success. He noted that the Chapter 106 program is a little unusual in that a person earns benefits at the same time they are received. He explained how the Department of Defense essentially monitors the eligibility, and the Veterans Administration performs its traditional role supervising the receipt of benefits and the participation in approved educational programs. From DOD's perspective, the Chapter 106 program is a highly desirable program which has had a tremendous impact on recruiting and retention. The data available to date, according to Lt. Colonel Carney, shows that for six-year enlistments during the two-year period both before and after July 1, 1985, there has been approximately an increase of 9,000 enlistments.

The retention issue, however, is a little more problematic, because the Chapter 106 program is limited to pursuit of a baccalaureate degree, Lt. Colonel Carney said. The Reserve Affairs Office supports expanding the Chapter 106 program to postgraduate, vocational technical courses, and essentially aligning the benefits to make them parallel Chapter 30. This, however, is not an official position as yet. The Department of Defense officially has been awaiting the recommendations of the sixth quadrennial review of military compensation, which has been meeting this whole past year to look at reserve compensation and benefit issues to include the desirability and effect of educational programs, including the Montgomery G.I. Bill. Even though that commission's report has not as yet been issued, it has informally supported expanding Chapter 106 benefits.

In terms of participation, Lt. Colonel Carney said that their figures show about one-third of those eligible are actually participating in the Montgomery G.I. Bill - Selected Reserve. This is based on data from their Defense Manpower Data Center (DMDC) in Monterey, California. He noted that there were a lot of problems in the beginning with getting the program implemented, but that situation is rapidly getting better all the time.

He then briefed the Commission on the basic eligibility requirements for the program and the process this entails. He noted that the Notice of Basic Eligibility (NOBE) is rapidly becoming irrelevant, because the system is an automated system and relies upon automated inputs and reports for the actions which ensue, i.e., for determinations of eligibility or ineligibility. The reserve units report the eligibility data through the automated system up through their service military personnel center, which in turn passes it on to DMDC, which is the central data base for DOD.

Lt. Colonel Carney also mentioned how the automated system was improving. For example, during the period between March and September 1987, they were able to reduce the number of "unknowns" from 269,000 to approximately 150,000. "Unknowns" were those persons whose eligibility or ineligibility could not be determined. The Reserve Affairs Office has also initiated an expedited corrections process to correct coding in the system.

He added that there is a high degree of participation among those using the Chapter 106 benefits. By that, he means that about 85 percent of those who are attending school under the Chapter 106 program are doing so full-time or three-quarter time, mainly full-time. He noted also that the great distinction the Chapter 106 program has, as compared to other G.I. Bills both past and present, is that it encourages individuals to remain in the military, whereas Chapter 30 with its provisions for kickers has a tendency to draw people out of the service.

Mr. John Fox of the VA next covered how the VA handles the Chapter 106 claims and processing to get people into a pay status. He noted that when the reservist first becomes eligible for the benefits, two things should happen at the local unit level. First, the reservist should be given the Notice of Basic Eligibility (NOBE), a document that signifies a person has met all the gates, i.e., has a six-year commitment, does not have a bachelor's degree, does have a high school diploma, etc. It also indicates the date that person has met all the basic eligibility requirements. This document is not a controlled document, so it is not the same as a discharge document, for example, that a person gets when he or she gets out of the service, which is a controlled document and highly accurate. The NOBE, not being a controlled document and issued by units all across the country, is not very accurate. That is the reason, Mr. Fox said, the VA does not utilize it as the sole and primary area for determining eligibility.

What the VA does utilize, as was mentioned by Lt. Colonel Carney, is the official military personnel data from the Department of Defense, which is coded in from the unit level, through the service up through the various commands, and finally to the Defense Manpower Data Center (DMDC) in Monterey, California. DMDC, in turn, sends the VA a copy of this, as well as weekly updates of those who are eligible.

When a reservist decides to go to school, and he or she has the NOBE, he or she would send the NOBE along with his or her application to the local VA regional office. Mr. Fox noted that Chapter 106 processing is handled at each individual regional office and is not centralized as is the case with Chapter 30 at this time. The local VA regional office reviews the application and the NOBE, and has access to the DOD data from DMDC to see if the person has been coded as eligible. This can lead to problems, as Lt. Colonel Carney had mentioned, regarding the length of time it takes for that data to flow up through the service, to DMDC, and then eventually to the VA.

Recently, as of last September, the VA decided along with DOD that they would use a cutoff point of 120 days to allow sufficient time for that data to flow through the services and to the VA. That is, if DOD shows a person as ineligible but he or she has not been basically eligible for a period of 120 days, the VA will go ahead and award benefits initially, if everything else is in order. The VA will tell the person, however, that he or she must still ensure that the official DOD record is updated, and that this is initiated from the reserve unit level.

If a person is beyond 120 days, however, the VA will disallow the claim and tell the person to go back to the unit to get the record corrected. Mr. Fox said this is a departure from the way the VA had been handling the Chapter 106 claims and feels that it is a vast improvement, because it puts emphasis upfront that the person must get that record corrected before any payments are made.

He noted that the basic problem has been the length of time it takes for the data to flow through the system. The corrective measure the VA has emphasized is the expedited correction process, so that there is an ombudsman that can act on behalf of the individual and get problem cases resolved as soon as possible. One proposal the VA has made to the services to facilitate this processing further is some type of automation of the NOBE, so that the information is correct and system-generated and reaches DMDC as soon as possible.

Mr. Fox also noted additional problems that can arise for reservists. He said that often there is a lot of movement once a person is eligible. For example, the person can change branches of service or they can drop out of the reserves. Each of those has a significance that the person is no longer eligible for the benefits, and that information must flow up through the unit to DMDC and to the VA, where some adjustment action must be taken. When a person transfers units, the losing unit will report that loss, and the VA has to take termination action based on that loss. Then, when the person is picked up by another unit, then the VA has to go back and restart the benefits. So, the VA has a lot of "stops" and "starts", which is inherent to the nature of the program. In other programs, a person achieves eligibility and once established, they don't ever really lose that, Mr. Fox said; whereas with the reserves, it is a constantly changing population, and the VA has to adjust to these changes as they occur.

Mr. Fox also mentioned how under Chapter 34, for example, there are various administrative actions the VA must take such as when a person drops a course or drops out of school. The VA must do these actions similarly for Chapter 106, plus the additional actions when a person changes from eligible status to ineligible or when transferring from one unit to another by moving to another city, for example. Thus, the Chapter 106 program presents the VA with many additional challenges.

During a question and answer period following Lt. Colonel Carney's and Mr. Fox's presentation on Chapter 106, it was noted that data is not yet available on the specific types of programs being pursued, although this program is limited to courses at institutions of higher learning. Also, since no payments are made for less than half-time training, most are going to school full-time. Lt. Colonel Carney noted, for example, in the Army National Guard less than one half of the field grade ranks had a bachelor's degree, and a lot of pressure was being put on them to get that degree. This represents, then, a somewhat older population going to school. In response to a question from Mr. Alloway, he noted that about 85 to 90 percent of the reserves have a high school diploma or equivalent. Lt. Colonel Carney said the ineligibility for Chapter 106 of those without a high school diploma is not seen as a defect in the program, because the units are seeking high quality recruits. There is a long line of data indicating that high school graduates perform better, stay better, and honor their commitments better. So, this is a requirement that is a good one.

Lt. Colonel Carney further stated that one change they would like to see, however, is to allow a little more flexibility in recognizing what is the equivalent of a high school diploma and to change the time requirements for obtaining a high school diploma. Right now under Chapter 106, he said, an individual must have his high school credential by the time he finishes his initial active duty for training (IADT). In some cases, this poses a real hardship. For example, an individual may be a late starter and then gets motivated, but once he completes the IADT, the gate slams shut, and no matter how good he becomes later, Chapter 106 will not open up for him. This is different from Chapter 30 for active duty, which permits the obtaining of the high school credential at any time before the active duty period ends. Lt. Colonel Carney feels the Chapter 106 program ought to be similar.

In response to a question from Chairman Steiger about the efficacy of paying benefits to reservists only upon completion of the six-year commitment, Lt. Colonel Carney remarked that this would eliminate the recruiting and retention value the program has for the Selected Reserve. The population the reserves are trying to attract is the fresh high school graduate and are offering to help pay for his college degree so that the reserves will get a motivated individual, someone who wants a higher education. If the reservists had to serve a six-year commitment before being able to use the benefits, many would not be interested or probably would not be in a position to pursue college at that time, and such a requirement would certainly impair the recruiting value the program now has. Mr. Fox also remarked that waiting until completion of a course before payments are made would be easier insofar as the administration of the program is concerned, but that no one wants to wait until the end of the term to get their money.

Mr. Ostar asked whether in view of the emphasis being placed on reserve officers to get a college degree and the fact that under Chapter 106 no benefits are payable for less than half-time training, if this is an inconsistency or impediment. He noted that many work full-time and also have family responsibilities. Lt. Colonel Carney responded that yes it is, and that he feels the half-time restriction should be removed. DOD, however, has not taken an official position on this as yet, but the Reserve Affairs Office supports removing this restriction.

Mr. Fox added that the restriction presents difficulty with the administration of the program as well. It is quite common for a person to drop a course; if they drop below half-time, the VA can't pay them. This is an additional hardship. Ms. Rowland remarked that for less than half-time training, the tuition costs paid would probably be about $35 a month and wondered in this regard whether the Chapter 106 rates should be examined. Lt. Colonel Carney said the rates tie into the Tuition Assistance program. If the person is going to a community college or public institution or in-state residency rates, the rates might be alright; but, for higher tuition schools, such as George Washington University, for example, the rates paid are only a drop in the bucket and no major incentive. The Tuition Assistance program in those cases where you have high cost institutions is a much better deal, because it pays 75 percent of the total costs. This is essentially a service call, he said, whereby the Tuition Assistance statute, section 2007 of title 10, leaves it up to the service Secretary to determine what degree of tuition assistance they wish to offer based on the money Congress has appropriated.

The Reserve Affairs Office, according to Lt. Colonel Carney, likes to see the two programs available, noting that in 1983 the Army did decide to offer tuition assistance on a very large scale basis to Army reservists and ran into a problem because of the wrinkle in the law for officers being required to serve two years on active duty upon completion of the program. Most Selective Reserve officers can't meet that test, and Congress changed that, but it had created problems for the full-time Selected Reserve active guard reserve personnel. The main problem now, he said, is money, and Congress has been reducing their money recently under the 1988 Defense Authorization Act for tuition assistance. In any case, even if its not that great an incentive, at least the Chapter 106 program should be an incentive for those who can use it, and $35 per month is probably better than nothing. If no one uses it, it won't cost anything, so why not expand it.

Mr. Darryl Kehrer, professional staff member on the Senate Veterans' Affairs Committee, next addressed the Commission briefly on three legislative initiatives, some of which the SVAC is working together on with the HVAC. The first is the "Montgomery G.I. Bill Amendments of 1988," Senate Bill 1997, sponsored by Chairman Cranston and Senators Mitchell, Graham, Matsunaga, and Rockefeller, plus two members of the Armed Services Committee, Senators Kennedy and Cohen.

In essence, Senate Bill 1997 would authorize the "stretching out" of the $1200 basic-pay reduction of Montgomery G.I. Bill participants to allow them to have their pay reduced in an amount of $60 per month for up to twenty months at the discretion of the Secretary of Defense. The logic of this, Mr. Kehrer said, is that if the pay reduction is a little more reasonable, particularly married individuals would have an opportunity to participate. This comes from data obtained from the trip sponsored by Chairman Montgomery and the House Congressional delegation to four different recruit training bases last year, actually speaking with young people.

The second provision of Senate Bill 1997 would provide for the payment to the survivors of a Montgomery G.I. Bill participant who dies from service-connected reasons while on active duty the total amount that the servicemember's pay had been reduced by reason of his or her participation in the program minus any amount the participant had received in Chapter 30 benefits. Mr. Kehrer noted that there are several different versions of this Bill at the present time.

The second legislative initiative issue, according to Mr. Kehrer, is a compromise agreement on "Veterans' Employment and Education Amendments of 1987" (H.R. 1504), "Veterans' Employment and Training Amendments of 1987" (H.R. 3460), and "Veterans' Employment, Training, and Counseling Amendments of 1987" (S. 999). Mr. Kehrer said it appears that a final version of the three merged bills may contain language with respect to State approving agencies for transferring the funding from the general operating expenses account to readjustment benefits, and to put a cap on it of twelve million dollars that would have to be paid by the VA for necessary and reasonable expenses. There is also language proposed to add the Assistant Secretary of Defense for Force Management and Personnel to the Commission on Veterans' Education Policy.

Mr. Kehrer identified the third legislative initiative issue as one of debt avoidance, dealing with amending section 1780(d)(4) of title 38 regarding mitigating circumstances. He noted that currently no amount will be paid for a course for which the grade assigned is not used to compute graduation requirements unless mitigating circumstances exist. The proposal, which is a staff recommendation from both the majority and minority staff members of the Senate Veterans' Affairs Committee and which is currently being reviewed by the two counsels, would "waive" the mitigating circumstances requirement in the first instance of a nonpunitive grade not to exceed six credits. The logic of this, Mr. Kehrer said, comes from the cost-effectiveness study of school liability that was done for the VA Administrator's Educational Assistance Advisory Committee, which found that from the period September 1984 through September 1985 there were $34 million in overpayments or debts created under Chapter 34. The study found that $20.1 million of that total was due to beneficiary error. The conclusion was that the reason was nonpunitive grades, and individuals may not be aware of VA's policy with respect to 1780(d)(4) and that it may be different from the school's academic policy, insofar as when a student can drop a course.

Mr. Kehrer stated the SVAC staff feeling is that a student should be allowed one and one only instance of a nonpunitive grade, and then the student would be made aware that in the next case they would have to show mitigating circumstances; otherwise, they would have an overpayment. The overall logic, he said, was rather than to create a debt and have to manage it, the idea would be to avoid the debt in the first place. Before anything is done on this recommendation, however, Mr. Kehrer emphasized that hearings would be held and that they would definitely seek the advice of the education community and the VA.

Regarding the latter proposal, Chairman Steiger asked whether consideration had been given to using the school's definition of what is or is not mitigating circumstances. Mr. Kehrer responded that it had not but was a good point. Using the school's definition, he said, probably has both an up and a down side to it. The school on the one hand puts forth its academic rules. There is a certain disadvantage to the VA in trying to manage each school, on the other hand, and it would probably be difficult to administer for the Agency.

Ms. Jill Cochran of the House Veterans' Affairs Committee followed by introducing to the Commission, Mr. Geoff Gleason of the minority staff of the Ranking Minority Member on the HVAC, Representative Gerald Soloman. She then informed the Commission that education legislation in the second session of Congress would probably be limited to a few Montgomery G.I. Bill amendments. She said that Mr. Montgomery feels very strongly that the program is working well overall, and as a result, does not want to plow through making unnecessary changes. There are a few that certainly will be made, however, in one form or another.

Ms. Cochran said the first amendment being considered is a death benefit provision for the survivors of a Montgomery G.I. Bill participant who dies while on active duty and perhaps some time after that, maybe up to five years after discharge. She mentioned the Committee may address the issue of Montgomery G.I. Bill participants who are discharged for nonservice-connected medical problems before having completed the eligibility requirements. She gave the example of a Navy person discharged after eight months after exhibiting an allergy to penicillin. Through no fault of the individual or the Navy, he is not entitled to education benefits. So, there is an equity issue that needs to be addressed, and Mr. Montgomery is looking for a way to deal with that.

Insofar as the Chapter 106 program is concerned, Ms. Cochran said she expects the HVAC to propose legislation to expand the approved programs to parallel Chapter 30, and to allow less than half-time training. She explained that all bills that come out of the HVAC are referred to the Armed Services Committee, of which Mr. Montgomery is also a member. This has worked very well so far for many of the HVAC's proposals.

Ms. Cochran mentioned there are several other recommendations still pending from other members of the Committee. For example, some members have recommended that benefits be transferred to a spouse or children; that additional time be allowed for making a decision to elect to participate in the Montgomery G.I. Bill; that refund of the $1200 basic-pay reduction be allowed in certain circumstances; and that the $100 per month for twelve months reduction be spread out more. Ms. Cochran does not expect action on these recommendations right now.

After a brief recess, Ms. Babette Polzer introduced Mr. Wayne Becraft from the American Association of Collegiate Registrars and Admissions Officers (AACRAO), Mr. Steven Blair from the National Association of Trade and Technical Schools (NATTS), and Mr. Jim Foran from the Association of Independent Colleges and Schools (AICS).

Mr. Blair began the roundtable discussion by explaining briefly that there are some 1200 institutions and facilities in NATTS, training some 700,000 people a year in over 120 different trades and technical fields. He said technical fields encompass everything from avionics and actor through x-ray technician, running the full range of all technical skills training in the United States.

Mr. Blair noted that he previously worked with the Department of Education. During a three-year period as head of its policy division in the Office of Student Financial Assistance, he worked closely with Colonel Scott in the Department of Defense to try to bring into alignment the Federal student aid programs as the military was trying to create an incentive for people to join the all-volunteer service, thinking that perhaps this education program with veterans' benefits would be a draw in the recruiting process. One of the things that came out of those discussions, Mr. Blair said, was the determination that any veteran, having completed his or her service, would therefore automatically be declared as an independent student.

Mr. Blair said he discovered very quickly in working with the Department of Defense that there is really a breakdown in the concept of serving the people you are there to serve. What was very clear from Mr. Blair's discussions with financial aid administrators, both in the collegiate sector and in the private career schools, and the admissions people, was that there is a great deal of confusion regarding veterans' programs. He said the Department of Education instituted a system of quality control designed to enable them to ascertain regularly during the process of the Federal student aid, the accuracy of the documents and the process, and to monitor the contractors and the personnel handling the paper.

If there is one recommendation he could suggest, Mr. Blair said it would be that the Veterans Administration desperately needs a system of quality control. Mr. Blair said the most single largest theme he heard is that "they don't give a damn about the people they're serving." He said there were repeated conversations about a bureaucracy that was totally unresponsive, they continually lose paper, they lose documents, and they change the rules without telling the individual, which leaves the veteran really as being supported by the institution in handling this process and this system that is theoretically there to serve. The classic example, he said, is that documents would be lost and the school would always be blamed. This results in the veteran doing a "walk-through", actually taking certifications to the VA office, if one is nearby, knowing that as soon as it is put in the mail, the VA will deny that they ever received it, or the veteran is never told that they never received it.

Mr. Blair said the VA acts under a system that is "done and created and crafted with regulations in isolation of everything else." He added that there is no student to his knowledge, who is a veteran, attending any institution in the United States that is not approved by the U.S. Department of Education and an accrediting body. They are in the same universe as the Department of Education and others; yet it seems that as the process is crafted, the fact that they are in ongoing institutions with ongoing regulations and processes is one of God's true "so what's". "We, the Veterans Administration, will design a set of regulations and processes that we like, regardless of the arena in which they are to be administered," Mr. Blair stated.

The clearest impression of all, Mr. Blair continued, is a need to have a system of quality control, to know how fast documents are processed, to know how accurately they are processed, what is the turnaround time for the pieces the student, the school, and the administration are responsible for. Mr. Blair remarked that in years past there used to be ombudsmen located at large institutions, who would also support small institutions, but that these were cut about four or five years ago. He said that the fact they existed in the first place indicates there was a need locally for somebody to act as an advocate for the veteran through their own Veterans Administration.

Finally, Mr. Blair said there needs to be an ongoing dialogue between the universities and the private career schools, such as those NATTS represents, to make sure the process supports the veteran in getting the education for which these programs were established. It is not an adversarial relationship as we are all here to serve the veteran, he said. The process, he continued, needs to be simple and understandable. If there are changes or additions that need to be made, the VA should make sure the student and the school are clear on what these need to be.

Mr. Wayne Becraft spoke next on behalf of AACRAO, which represents over 2200 schools of higher education. Most of AACRAO's people are the ones who process, or represent the one's who process, veterans' applications. Mr. Becraft agreed with Mr. Blair's assessment that the two issues of major concern are simplification and service. He cited the measurement issues as prime examples. In particular, he mentioned measurement areas such as independent study being handled differently, and the standard class session requirements, which he said forces students in summer terms to receive half-time benefits when by institutional definitions they are attending full-time. This puts a burden on institutions to explain why those situations exist.

The language of regulations, Mr. Becraft said, is "obtuse", and it would be helpful if they were written in English that people could understand and deal with better. Mr. Becraft also echoed Mr. Blair's criticism about lost documents and suggested that computerization be looked at as one means of dealing with the issue, especially the institutional approval documents. The time lag in paper processing could be alleviated through computer networking with the institutions.

He mentioned quicker turnaround time in getting checks out as another area to look at, noting that some institutions tell him ten weeks is not unusual. The major concern here is that if we are at a low point now in terms of numbers of certifications, and as these are projected to increase rapidly in the next couple of years, he hopes the VA is prepared to gear up to handle that volume so that the situation doesn't get worse.

Mr. Becraft also remarked that at least one institution had expressed concern to him that reservists are abandoning courses, that the military is overselling the program and promoting it as an entitlement program. He said that AACRAO supports extending the Chapter 106 program to less than half-time training; for Chapter 30, AACRAO supports reducing the rate at which the $1200 basic-pay reduction is made.

In addressing the reporting fee issue, he said AACRAO would certainly like to see it increased. He noted that the current fee is at a level set many years ago when the numbers of programs and the volume of regulations and procedures were somewhat smaller. The workload on institutions has increased, he emphasized, but the fee has not.

The Vice President for Educational Affairs at AICS, which represents approximately 1250 major branch campuses enrolling over 750,000 students a year, Mr. Jim Foran, said he had found out about the meeting only that morning and had no prepared remarks. He did indicate, however, that he agreed with the previous statements of both Mr. Becraft and Mr. Blair. He opened the meeting up for questions, answers, and a roundtable discussion of education issues.

In response to Chairman Steiger's question regarding plans to computerize the approval process and data exchanges between the VA and educational institutions, Ms. Leyland remarked that there is an ongoing test right now in Florida involving data and information exchange. The biggest problem in expanding this type of computerization, she said, is that the types of data systems used at schools varies greatly from one to another, there are many different systems at different schools, and matching up the school's computer with the VA's is a problem. She supports the idea, however, and would like to see something worked out for linking up with VA's mainframe. Insofar as online school approval lists are concerned, she said the facilities file is currently on a "medium burner" but that some automation in this regard is now being done for Chapter 30 processing in St. Louis.

Ms. Rowland expressed some concern with data exchanges between the VA and schools, citing a potential problem of errors being inadvertently transmitted. She noted that during the first month of a term, a student's load may change dramatically, and linking the school's automated system directly with the VA could result in errors being transmitted without that person on campus to look over the data first. She said the VA is quick to terminate a student's benefits, but that it takes six to eight weeks to get them reestablished. This is one of the fears that institutions have about the automation process.

Mr. Blair added that in looking at student aid loan programs, they have found that timing is a real key. One possibility is simply to hold the process until after that first month of the term, if the checks can be cut more quickly at a later date. He noted that on his list of concerns, one part regards the numbers of veterans dropping and as the numbers drop, the bureaucratization increases. He saw this in the Department of Education and feels this is perhaps a very natural tendency. He said one thing the Commission may want to look at is how to create incentives for the people who are in the VA to make the program simpler. Grades and status are tied to complexity; the more numbers you can handle, the more complex the program; the higher the grade, the more people you get. What this does, Mr. Blair said, is builds in complexity.

Secondly, Mr. Blair voiced his opinion that someone is needed to go in and change the attitude with which the civil servants deal with their people. The biggest pain now for the veteran, he said, is the Veterans Administration staff that the veteran has to deal with. He pointed out that it doesn't cost anything to go in and create an attitude that the VA is truly a service organization, and that the purpose they are serving is to serve those people who have served their country. That purpose, that reason for being, is not there, Mr. Blair said, from everything he has seen.

Ms. Dollarhide, in responding to Mr. Blair's charges, said that unlike the Department of Education, the VA's programs by legislation are very complicated; and, this is largely because of the many abuses of the programs found during the 1970's. As such, she said, it is not an easy program to administer, and that the VA does have a quality control program. Ms. Dollarhide emphasized that the VA is open to suggestion, and the complexity of the system and the programs is built in by legislation and is not something dreamed up overnight by the VA. She also briefly stated some of the problems with programs becoming increasingly complex while staffing levels and budget monies appropriated decrease.

A discussion followed concerning how schools will be educating citizens in the next decade and what might be the predominant methods of instruction in the future. Mr. Blair said "hands-on training" would still be the primary method with a focus on creating a total personality in the shortest time possible. In the 1990's, he said, 80 percent of the jobs will require technical training and

20 percent will require a college degree. Mr. Foran added that corporate training is increasingly becoming a greater tool for training people on site. NATTS is looking toward the year 2000, Mr. Blair added, aware that by even 1990 this nation will not have enough skilled people to meet the demands for existing jobs.

Responding to a question from Dr. Sifferlen regarding concerns about people having or not having basic reading and writing skills and the need for retraining, Mr. Blair remarked that the high school dropout and/or the ability to read and write is a national crisis that the schools must deal with and must develop programs in basic language skills. He noted that there is a growing need for the training and teaching of English as a second language to increasingly large numbers of people. The education challenges of the future are being created in these areas as well as toward older students, people going back to school, and the multiple failure students. Mr. Blair concluded that they are looking heavily into persistence with the returning student, to assess what is the hook that keeps bringing them back to school, and what makes them stay.

Mr. Foran added that the latest figures he had seen showed that in this country 27 million are either marginally or functionally illiterate. Just because there may be a high percentage having high school diplomas is not an indication that they can read and write, he said. AICS has been testing in this area recently and should be getting some data shortly on how well students with and without high school diplomas fare in the basic skills.

The Commission recessed for lunch at 12:00 and reconvened at 1:00 with the Chairman introducing Ms. Vera Bagley, Director of Records and Admissions at Prince George's Community College.

Ms. Bagley began by explaining her position at the college as both Director of Records and Admissions as well as the certifying official for veterans' benefits certifications. She commented that students often think that she works for the VA, since she handles their certifications; and, therefore, they blame her for any problems they might have in getting their benefits.

She explained that when students register for classes, they complete a certification form for the college. The college in turn computer-prints the VA Form 1999, Enrollment Certification, that goes to the VA to tell them what the student is registered in. When she signs the form, Ms. Bagley said she is telling the VA that the student is enrolled in an approved program of study, i.e., that the courses in which the student is enrolled do count in that program of study and he hasn't taken them before, that the courses meet an appropriate timeframe, and that the courses are actually covered by whatever VA chapter the veteran is in.

Basically then, she said she has to first run a record of that student, making sure everything he has taken before, everything he has transferred in, and what he needs to graduate, and that what's on his registration form fits all of that. This is something that has to be done manually for each and every student. During the term, Ms. Bagley said that she has to certify any change in the student's pursuit, such as if the veteran drops or adds a class or changes to something that doesn't count anymore. She said that the certifying official at a college is really in somewhat of a strange position, since they don't work for the VA but on the other hand they do, insofar as the student is concerned. Sometimes the certifying official finds that to do what is best for the student is not always what is best for the VA and vice versa, based on the Chapter.

One of the areas Ms. Bagley identified where VA regulations may force veterans to act not in their own best interest, if they want to get their money is the issue of seat time, standard class sessions versus credit hours. The VA, she said, tends to measure things in terms of time in class per week while colleges measure in credit hours per semester. This did not used to be a problem; but, in the last five years, at least at the community colleges, the method of offering courses has changed dramatically. More and more of their students are adult students and more of their veteran students are older who have a lot of obligations besides just going to school, raising families, holding down full-time jobs, civic commitments, etc. To accommodate this, colleges have become more innovative, such as weekend course offerings, courses condensed into just a few weeks, late starting classes, early ending classes, etc. that allow students to fit classes into their time schedules. The veterans would like to do this, she said, but to do so may mess up their VA benefits. For example, if a veteran signs up for a weekend course over a six-week span, those credit hours are counted toward their course load or benefits only for the time that class is actually in session; whereas if the same student were to take the course in a normal format, the benefits would count for the full 16 weeks. So, the veteran has to make a decision, do what is best for his life or do what is best for his pocketbook.

Another problem area Ms. Bagley identified is that VA will pay a veteran to repeat a course that he or she has failed ad nauseam, but if he withdraws from the course, an overpayment situation is created. Some veterans who are very grade conscious, wanting a good grade point average, may be faced with a situation where they must decide whether to withdraw from a class and be faced with an overpayment situation or to remain in the class and jeopardize his grade point average. Granted, he can repeat the course and get the failure removed, but some students don't want that "F" on their records. Ms. Bagley added that if getting the "F" means to the VA that the veteran was there until the end trying and should not be penalized further, that is not always true; and, if a "W" is taken to mean a student just didn't try and bailed out at the last minute, that certainly is not always true. Ms. Bagley said this situation leads her often to advise students who may be in financial difficulty to stick it out, and if they fail the course, they at least don't have to worry about paying the money back.

Ms. Bagley mentioned some concerns with the Chapter 106 program for reservists, which are exclusive of coop and remedial courses. Depending on the program, her college requires both, and to require a student to take something for which they're not going to get benefits often puts them in somewhat of a binding situation, which also contributes to the "F" problem, especially if its on the remedial end and the student refuses to take the course. She said they can only mandate so many remedial courses before the student is allowed to go on.

The other concern, Ms. Bagley noted, is that the school has chosen not to have recognized, because of the fact of the standard class session and counting clock hours, their certificate or one-year programs, even though these might be the best choice for some veterans. The school, then, has to put the veterans into associate degree programs simply because those are the ones the VA will pay on, which sometimes forces veterans to take courses they really don't want to take, because that is required in the associate program. Ms. Bagley said she is put into a position of advising veterans about academic decisions on monetary grounds.

Insofar as procedures are concerned, Ms. Bagley spoke about advance pay. She said her college has agreed not to hold the veteran liable for tuition ahd fees until midterm in the assumption that the VA check will get there by then. Some do and some don't, she said. She sends all her certifications into the VA in one package, so it isn't a question of some getting there and some not. What she has discovered by trial and error, however, is that if the claim hasn't been processed by the tenth day of the semester, "or some such cutoff as that," as she put it, it isn't going to be. She said it reverts back to a regular VA payment, but nobody bothers to tell the veteran that, and at midterm he gets dropped by the school for nonpayment even though he's been in class all along. If the VA could let the school know that the advance pay isn't coming, the school could act accordingly and avoid a lot of problems for the veteran later.

Ms. Bagley then mentioned, and said it also was at the request of other certifying officials she had talked to, the concern about verification of pursuit cards. These cards are sent out toward the end of the semester for each veteran the school has certified during that term. Ms. Bagley said she takes the time at the beginning of the semester to fill out the VA Form 1999, and to make sure all the courses count, and she goes back at the end of late registration to make sure each veteran is still registered in the same courses for which she had certified. If the student changes course load at any point in time, the school's computer automatically generates a VA

Form 1999b (Notice of Change in Student Status), which indicates the veteran has changed his or her enrollment. The school, she said, sends that form the very next day to the VA, and everything seems fine.

Then, the verification of pursuit cards show up at the school to be filled out within 30 days of the end of the semester verifying what the veteran did for that semester. Ms. Bagley said, however, that those changes she had certified during the semester are never reflected on those cards; so, she has to go back and do it all over again on 500 IBM cards, which has to be done right away while she is in the middle of registration for the next term. There has to be a better way, Ms. Bagley said. She added, that at least at her school, the records are on a computer system, but those schools that are not automated must do all of this work manually. Another problem with the cards, she said, is that some have file numbers rather than social security numbers, and all her records are by the social security number. In any event, the verification of pursuit card procedures force the school to report everything twice.

Ms. Bagley reiterated earlier presentations to the Commission that noted paperwork processing is slow and that the average turnaround time is about eight weeks, which she thinks is a long time for a veteran to wait for his money. For Chapter 106, the turnaround time is even slower, about twelve weeks. She did remark, however, that the problem is less severe for continuing students.

An example of how all the bureaucratic processes can come down on someone was cited by Ms. Bagley. She said she had a case last term of a Chapter 106 reservist who wanted to get into Real Estate. He signed up for one of the school's noncredited one-week intensive courses. Ms. Bagley said she had to call the veteran to tell him that if he wanted to receive Chapter 106 benefits, he couldn't do that and would have to register for a credit course. The reservist can back in, applied to the school, registered for the same course on the credit side and for another course in Real Estate Appraisal. He signed up as a nondegree-seeking student, however, since a degree was really not his goal. This time, Ms. Bagley said she wrote the reservist a letter, and he came in and switched to a one-year certificate program in Real Estate, which also is not certifiable to the VA. So, the reservist went back to the school again and upon the advice of a counselor, who didn't know the student was eligible for Chapter 106 benefits, switched to an associate degree program in Business Management. Unfortunately, the Real Estate Appraisal course the reservist had signed up for is not part of that degree program. So, the reservist agreed to drop that course, even though that is what he had wanted to take, and signed up for Business English, which requires a placement test to take. The student took the placement test, which showed he needed developmental English as a prerequisite, which is not payable under Chapter 106. Finally, the reservist came back in and switched to a General Studies degree program, which would allow the Real Estate courses he wanted to take. However, the one-week intensive course made him half-time for only one week. The veteran, Ms. Bagley said, was so befuddled at this point that he ended up dropping the whole thing.

Ms. Bagley continued by citing the whole area of prior training as being in need of improved communications. Students often don't tell the school about their prior training. She would like to see the VA let the schools know when they have evidence of a student's prior training. Sometimes a veteran will already have repeated a course before the school finds out that credit for prior training should have been granted.

Another area that is causing more and more problems, Ms. Bagley pointed out, is that the paper trails differ, i.e., the certifications go in many different directions. The local regional VA office gets the certifications for 32, 34, and 35. With Chapter 106, the school never knows when something is wrong until months later. Chapter 30 goes straight to St. Louis. Ms. Bagley's concern about this is how to determine where the paperwork is and the status of a claim. For example, whenever veterans call the regional office to find out where their checks are, the computer screen will be checked; and if there's nothing there, 90 percent of the time the veteran will be told that his school hasn't sent in the paperwork yet, which isn't the case. The veteran in turn yells and screams at the school, Ms. Bagley claimed.

One thing that is good but doesn't go far enough, Ms. Bagley said, is the monthly pay cycle listing sent to the schools, but these only include Chapters 34 and 35, not 106 or 32. She would like to see the pay listings be more inclusive.

Chapter 31, Vocational Rehabilitation, is a whole different matter and is not working very well at the moment, Ms. Bagley said. The VA tells the school who they are certifying before the school sees the student, rather than the other way around. She said that in the two years she's been doing this job, the number of vocational rehabilitation counselors has changed at least four times, and the procedures have changed each time the counselors have changed. This is most evident in the lists of who the VA will sponsor. At one time the school could register the students based on this list, then the lists stopped coming and handwritten notes were brought in by the student from his counselor, then the lists reappeared, and now the school is told the student must have an official authorization form first, but most students don't seem to have this form. She compared some of the problems with the vocational rehabilitation program to someone having a scholarship that won't be honored, and this is without the school knowing about it.

Ms. Bagley expressed her concern about the 30-day reporting requirement, where the school must let the VA know within 30 days of when a veteran stops attending class. She said that assumes that the school knows this. She pointed out that this goes back to the seat time versus credit hours problem, and that it is very difficult to get a college professor to keep attendance on veterans when he doesn't take attendance on anybody else. "The professor will get him in the end with the grade." A veteran, she continued, may fail a course because he never showed up for class, and that "F" looks the same as the "F" another student who was there in class to the very end may get. Prince George's County Community College has a policy that says up until the tenth week of class a student can withdraw with no grade penalty; but during the last six weeks of class, the student will get a "WP" if passing at the time of withdrawal or a "WF". The VA needs to know whether the grade assigned is punitive or nonpunitive, but the school can't know this until the end of the term when grades are turned in. This causes the school to miss the 30-day reporting deadline. She said she could go ahead and report it as a "W" and put the veteran in an overpayment situation, which may be wrong because it may end up being a "WF" which is punitive and will show up as a "F" on the record; or she can wait and report it correctly and miss the 30-day reporting time, which is what she has opted to do.

Lastly, Ms. Bagley expressed her desire for the VA to notify the veteran and/or the school timely when something is wrong with the paperwork. She said Chapter 106 is the worst offender in this area. It would make life so much easier for everyone concerned, she emphasized, if the VA would keep people informed about what is happening.

In summary, the areas of concern are paperwork, humaneness, letting the school and veteran know what is going on, and giving the school the opportunity to follow the rules and regulations without having to break another rule or regulation. She urged the Commission to look at credit hours as a standard of measurement, stating that the colleges need to be trusted that the veteran is spending the right number of hours in class, which could be part of getting the college approved for veterans' benefits in the first place to ensure they are not offering fly-by-night courses. She encouraged the VA to get in contact with IHL's from the outset to test out procedures before they get written down as law to see if they actually accomplish what they are intended to accomplish. Computer connections with the VA would greatly enhance communications, at least to find out the status of claims.

During a discussion that followed, Ms. Bagley said that the reporting fees and advance pay fees paid to schools need to be looked at. The certification process is not an easy one for the schools to follow, and it is very time-consuming. She also mentioned that despite the bureaucratic process, most veterans stick with it and keep trying to get their benefits, which they view as an entitlement. On campus, the veteran population is also the second largest attrition group, mainly because they tend to "bite off more than they can chew." Ms. Bagley said she didn't know whether it is a monetary decision or not, but veterans seem to take more courses than they can handle and get real discouraged.

Next on the agenda, Ms. Babette Polzer briefed the Commission on the preliminary survey results received to date. She said responses have come in from about one half of the 900 surveys sent out, and two preliminary reports were included in the members' packets. Some of the trends she has identified to date include getting pay cycle listings for all the Chapters, more communication with the VA, eliminate attendance reporting, and support from the institutions themselves for increasing VA staffing. Schools recognize that they don't have right now the veteran enrollment they used to have, but there is a feeling that we are now sitting on a powder keg, and as more and more veterans start to get into the system and the staffing for the VA gets continually cut, and the problems that we've been facing in the 70's and 80's are not resolved, it's all going to be again the early 70's with late checks and problems. Just because we haven't been hearing about the problems lately doesn't mean they've gone away. Ms. Polzer noted that among the suggestions for improvement, there is already a heavy bias in terms of eliminating standard class sessions and going towards a credit hour versus a seat time approach.

Mr. Don Ramsey, Director of the VA regional office in St. Louis, spoke to the Commission next on the processing of Chapter 30 claims to date. He said 2,988 applications for Chapter 30 had been received as of the previous Thursday, and they had approved 1,925 and disallowed 717 cases. St. Louis now has 1,101 running awards in their PC System, which are being paid manually.

The payment system through the Hines DPC is scheduled to be operational on April 25, 1988. At that time, the system will be "live", and they will be processing all the data on one terminal, i.e., they will scan and record the information on an optical disk, route it to their adjudication division electronically, who will be able to pull up payment screens and from that data enter the award information, as well as the school approval information, and then the authorization without ever looking at the file. Hopefully, he said, if final approval is given in a couple of years, they will be able to scan and record the data and then send the paper back to the veteran, shred it, or whatever.

St. Louis is averaging on their payment times, Mr. Ramsey said, since they have to go to Austin for a Treasury payment schedule, which is then sent back to them, and then to Kansas City for release of checks, about seven to ten days from the date St. Louis receives a certification. Mr. Ramsey noted for the Chapter 30 program a veteran must return a certification of his continuing pursuit, and certify that he has not changed credit hours or training time, and at that time St. Louis will authorize a check to be issued.

The biggest problem to date, he continued, is not getting a proper discharge document with the application. In cases with insufficient service but discharged for a service-connected condition, the processing time is about five to six months to do the development and get a rating decision from another regional office.

The disallowances St. Louis has processed to date break down to 63 percent for insufficient qualifying service, eighteen percent for character of discharge bar, ten percent for failure to prosecute a claim, two percent for no reductions in basic military pay having been made, and one percent that elected Chapter 31 benefits instead. Out of the 1321 enrollments to date under Chapter 30, eighteen were in graduate training, 1253 in undergraduate school, 46 vocational and technical trainees, and four correspondence claims. Disbursement has been about $1,760,000 so far, according to Mr. Ramsey.

During a question and answer period that followed, one of the things Mr. Ramsey noted was that in the program so far they have 42 accounts receivable; and, out of that number 37 were due to the mitigating circumstances provisions not being met. This number is further broken down to 26 of the 37 being for reductions in training time, and 11 for withdrawals from all courses without mitigating circumstances.

If there are problems, or if the status of a claim is needed, Mr. Ramsey said the veteran or school calls the local VA regional office which relays it to St. Louis. He said they have been averaging somewhere around twenty inquiries a day for the Chapter 30 program. When the payment system is online, the local regional office will be able to answer these inquiries. Mr. Ramsey also mentioned that when St. Louis receives an application for Chapter 30 benefits, they write to the school advising them that the veteran is going under the Montgomery G.I. Bill - Active Duty and that all correspondence in his or her case should be sent back to St. Louis to a special post office box number provided.

In response to a question from Mr. Sweeney about the possibility of future decentralization of the Chapter 30 processing, Ms. Celia Dollarhide responded that the main idea right now of centralization of Chapter 30 in St. Louis to begin with is due to the relatively small numbers. Ultimately, she said, it will depend upon the traffic as to which way they go.

The members of the Commission then divided into their individual working subgroups at 2:15, and the full Commission reconvened at 3:05, at which time Chairman Steiger began by asking Subgroup "C" to report on their deliberations.

Mr. Ostar, as spokesperson for Subgroup "C", announced that they had unanimity on eight recommendations they wished to consider. Recommendation number one, he said, follows a general policy of trying to simplify the regulations and make them comparable to all of the Chapters to the extent possible with a few minor exceptions. With that general operating principle in mind, they recommend that in the case of remedial and deficiency training to allow Chapter 30 and 106 for those remedial courses that are taken at an institution of higher learning with no charge to entitlement. On certifications, the Subgroup recommends providing comparable discretionary authority to the VA in all programs as is now in Chapter 30. On the 85-15 rule, the Subgroup feels that it is a good rule and ought to apply across the board to include Chapter 106, and the same is true of the workstudy program. The Subgroup also mentioned the reports of trainees should be consolidated to list trainees under all programs.

Item number two Mr. Ostar identified on behalf of the Subgroup was on the discretionary audits or compliance surveys. He said the Subgroup felt that institutions that have been in compliance, where there have been no problems identified, should be exempted from a compliance survey unless some event occurs that calls for it. In other words, audits should be reduced except in those cases where there is evidence of some problems.

The other recommendations put forth by Subgroup "C" include establishing an 800 number in St. Louis for Chapter 30 for the initial period to help the St. Louis office identify particular concerns veterans may have. The Subgroup supports the refunding of Chapter 30 military basic pay reductions as a death benefit and recommended consideration be given to other situations for refund, such as when a veteran becomes eligible for Vocational Rehabilitation. In addition, it was felt that separate telephone numbers should be set up at each regional office for schools to use for inquiries. The workstudy benefits should be liberalized to allow work in non-VA related areas, such as in other Federal agencies and at schools in the student's area of study. The Subgroup suggested loosening the requirements to allow more changes of program, especially since the newer programs are limited to 36 months entitlement. Finally, the Subgroup suggested that institutions be allowed to count enrollments for reporting fee purposes as the school certifies it rather than just on the last day of October.

On behalf of Subgroup "A" on measurement issues, Ms. Bertie Rowland said that they were looking at the possibility of measurement on the same basis as the school defines its measurement policy. She said the Subgroup had discussed shifting the burden of quality and abuse of the education programs to the approval process. The benefit provided by the Veterans Administration is not a subsistence allowance. She noted that the role of the G.I. Bill has changed, and as such, the VA should use the industry standard for the definitions of training time. This Subgroup also was considering proposing that Chapter 106 benefits be extended to those without a high school diploma.

Another proposal, Ms. Rowland said, is to abandon the current delivery process and have instead disbursement of the benefits from the campuses. Another measurement issue, she mentioned, was independent study, which the Subgroup feels should be measured on a per unit basis. Ms. Rowland emphasized that the Subgroup does not want to abandon the idea that courses must be part of a program of study.

Dr. Sifferlen added that the campuses need closer control of programs of study, and that the problem is how to build in alternative methods of instruction into the process. He said that many schools have limitations on the amount of independent study a student can take. Maintaining "programs of study" makes a lot of sense, he said, but there needs to be allowance for alternative learning strategies, as well as avoiding abuses.

In this regard, the idea of a set of guidelines and expectations for the public was discussed. As Mr. Meadows noted, the original G.I. Bill started out void of any philosophy, but this idea of restoring lost educational opportunities has evolved over the years. As such, the Commission needs to pull together a history behind education benefits and the philosophy behind it. Ms. Polzer agreed to work on getting that information together for the Commission.

Speaking on behalf of Subgroup "B" dealing with the approval process, Mr. Sweeney spoke of professional and staff development as a key area of concern for State approving agencies. He agreed that both the states and the institutions should develop a joint set of guidelines. He said that the Subgroup had been discussing, also, the possibility of institutions paying for approval. This would be somewhat controversial, and would have to be looked into further before any kind of recommendation could be made.

The Commission briefly discussed the feasibility of holding field hearings and future meetings. It was agreed that the results of the questionnaires should be examined prior to holding field hearings. Also, it was noted that the Chapter 30 processing would not be fully operational in St. Louis until April 25, 1988. Since this is one of the sites the Commission would like to visit, that trip should not be made until after that date. Other possibilities include trips to Florida and California for field hearings. Since the questionnaires will give the Commission a much better idea of possible problem areas, a meeting without any presentations solely to examine and discuss the questionnaires was thought to be the best idea. Therefore, the Commission will meet again on March 29, 1988.

There being no further business at this time, the meeting adjourned at 4:10 p.m.

Recorded by: A. Wayne Taylor

Certified correct: Janet D. Steiger
JANET D. STEIGER
Chairman

THE COMMISSION TO ASSESS VETERANS' EDUCATION POLICY

Minutes of the Fifth Meeting

Tuesday, March 29, 1988

Held at the Postal Rate Commission Hearing Room
1333 H Street, NW
Washington, D.C.

The fifth meeting of the Commission To Assess Veterans' Education Policy was brought to order at 9:20 a.m. by the Chairman, Ms. Janet D. Steiger. In attendance for this meeting were:

Commission Members:

Ms. Janet D. Steiger, Chairman
Mr. William A. Fowler
Mr. Charles R. Jackson
Mr. Oliver E. Meadows
Mr. Allan W. Ostar
Dr. John C. Petersen
Ms. Bertie Rowland
Dr. Ned J. Sifferlen
Mr. C. Donald Sweeney
Mr. John F. Wickes, Jr.

Commission Ex Officio Members:

Ms. Celia Dollarhide, Representative of the Administrator of Veterans' Affairs
Mr. Darryl Kehrer, Representative of the Chairman, Senate Veterans' Affairs Committee
Mr. James Parker, Representative of the Assistant Secretary for Veterans' Employment and Training, Department of Labor
Mr. Leo Paszkiewicz, Representative of the Assistant Secretary for Postsecondary Education, Department of Education
Mr. Chris Yoder, Representative of the Ranking Minority Member, House Veterans' Affairs Committee

Commission Executive Director: Ms. Babette Polzer

Veterans Administration Representatives:

Mr. Robert H. Ketels, Chief, Central Office Operations Staff, VR&E
Ms. June C. Schaeffer, Assistant Director, Policy and Program Administration, VR&E

Mr. William G. Susling, Education Advisor, Policy Staff, VR&E
Mr. A. Wayne Taylor, Legal Consultant, Program Administration, VR&E
Mr. Ted A. Van Hintum, Assistant Director, Field Operations, VR&E
Mr. Gerald R. Weeks, Chief, Procedures Staff, VR&E
Dr. Dennis R. Wyant, Director, VR&E

Visitors:

Mr. Jerry Cerasale, Attorney, Postal Rate Commission
Ms. Maureen Drummy, Special Assistant to Chairman, Postal Rate Commission

Chairman Steiger opened the meeting by noting that there was no set agenda for today's meeting. It was felt after the last meeting in January that the Commission had already heard from as many of the experts out in the field as they could bring forward and had identified the major issues and areas. As such, it was the consensus that the Commission should sit down and "hammer through" some of the positions they wanted to take. The Chairman pointed out that the Commission has come a long way toward their objectives and in identifying problems since its first meeting in April of last year, but cautioned that they still had a long way to go and not a long time in which to do it. The Commission's report is due in Congress in August.

To begin, she suggested that they look at the survey results tabulated to date, which she characterized as "rather astonishing" in that the responses to the questionnaires were "surprisingly positive". Without taking anything away from the work people in the field have done with the G.I. Bill, Ms. Steiger submitted that one should take this with a grain of salt, because there are so few veterans at the moment in the system; and, therefore, some of the negative comments should be weighed far more heavily than if there were a full-blown G.I. Bill out there.

Ms. Babette Polzer began by reviewing the survey responses from educational institutions as they rated their relationship with the State approving agencies and the Veterans Administration, which she found to be varied and covering a wide range of responses. One area she pointed out, regarding the "fill-in's" or "others", was that the vocational rehabilitation specialists were rated very highly, either a 9 or 10. However, the phone unit received ratings generally of almost 0, indicating that there are a lot of problems with the "800" number. Schools, she pointed out, generally would like to see more training regarding the programs. On this particular questionnaire, approximately 775 out of 892 institutions responded. Lists from the American Council on Education were used as well as lists from NAVPA, NATTS, and AICS in mailing out the questionnaires. There were, however, no nonaccredited schools in the survey nor any foreign schools.

Insofar as the questionnaire responses from the State approving agencies are concerned, Ms. Polzer noted that generally the relationship with the Education Liaison Representatives was rated very good. The survey for the Education Liaison Representatives should go out that week, Ms. Polzer said.

She continued that some of the positive changes cited in the responses to the questionnaires included allowing schools to certify marriage and birth certificates and the new G.I. Bill and Chapter 106. High on everyone's list was computerization and a desire to do more in this area. Ms. Polzer said, however, that there was a ten percent response rate that there had been no positive changes, which she felt was significant as opposed to someone who just didn't fill in the blank. She pointed out one of the responses that noted there had been no positive changes in the last 15 years, the same attitude prevails, i.e., the VA is always right, the veteran and the school are always wrong, the VA dictates, the school bears the burden of the costs. She noted that there were a significant number of schools that indicated they needed more resources to deal with the VA certifications, etc.

On the negative side, Ms. Polzer said that the responses overwhelmingly pointed to "Gramm-Rudman" and the reduction in benefits that was made as a result thereof. Other responses consistently cited lost paperwork and misplaced certifications, and the inability to track a piece of paper. She indicated this was most likely the lack of one responsible individual whom the school can turn to when they have a question, particularly about a veteran's case. Ms. Polzer reiterated the problem of when veterans call the VA, they are very often told that the school simply has not sent in the paperwork yet, when the school actually may have sent it in. It was the general impression of the schools responding to the questionnaire that the VA's phone unit was not able to help very much in resolving problems with a veteran's case. Insofar as the benefit delivery system is concerned, Ms. Polzer added that there was a response rate of about 65 percent that indicated benefits are not provided in a timely manner; although the impression was that long delays were getting less severe.

In trying to reconcile the positive ratings regarding their relationship with the VA and the negative comments, Ms. Polzer noted that even though the relationship may be good, problems still exist. She indicated that the only relationship many schools have with the VA or the only person they ever see or deal with is the compliance specialist. Many schools indicated that when a compliance survey was done, they viewed this as an opportunity to learn from the compliance specialists. In other cases, however, some schools had the opposite feeling about the compliance specialists.

Ms. Polzer also indicated that, regarding measurement and whether the current methods were considered fair or not, the data received to date was inconclusive, i.e., it could be viewed as being either positive or negative, depending on how one reads or interprets the responses. The greatest amount of difficulty with measurement seems to be with nursing programs and clinical training. Also, the more innovative types of programs seem to pose problems. Generally, Ms. Polzer said, the more traditional schools and four-year institutions seemed to have no problem with measurement, although standard class sessions was often mentioned as a negative. The largest number of problems with measurement seemed to come with the trade and technical schools.

Mr. Darryl Kehrer cautioned the Commission, if the survey results are used in its report, that it should consider noting that this is survey research. He said that questions will arise about its internal and external validity, i.e., internal validity meaning are you measuring what you are reporting to be measuring, and external validity meaning can you generalize these findings based on the sample size to the national population. He pointed out that this is not a scientifically valid study, but it does contain much useful information, albeit guarded. Ms. Polzer agreed, noting that from the beginning this never started out to be a scientifically valid study; nevertheless, the quantifiable responses can be useful. Mr. Ostar concurred, saying that he viewed this more as a diagnostic analysis and as a way for the Commission to obtain some useful information.

Mr. Paszkiewicz remarked, regarding the survey, that it has done very well in letting the Commission know that there is nothing out there, that it's not biased, or that there is a heavy sentiment for any particular issue. Ms. Steiger asked if, from the survey responses, there were any kind of trend on the issue of measurement. Ms. Polzer responded that the only identifiable trend would be that traditional four-year institutions don't seem to have as much of a problem with measurement as do other types of schools. The problems with measurement seem to be in the community colleges, trade and technical schools, and with the less traditional programs such as the evening and weekend college programs as well as nursing programs, and the health care and medical professions.

Mr. Sweeney pointed that consideration must be given to who the persons were that filled out the questionnaires, i.e., where that person sits at the institution could be a factor in the responses or perceptions given. Ms. Polzer agreed, noting that the certifying official or clerk at the school who may have responded to the questionnaire, from an educational standpoint, may only have a concept of the VA of filling out forms and certifying documents and sending them back. They are not as involved in the educational delivery end as much as policy making. Mr. Sweeney added that for the education of the future, five or ten years away, this may not be the forte of the people normally asked to respond to these questions. As such, it is like evaluating "what is" without having the ability to look ahead and delve into their analysis.

Insofar as the measurement issue is concerned, Mr. Meadows remarked that the concept of measurement itself should be looked at. This whole issue started years ago with the concept that veterans would be going to school full-time, and that full-time pursuit would include getting through college in four years time, which considered the 36 months entitlement provisions. To do that, originally 15 hours were considered as being necessary to reach that goal within the prescribed time of the institution. It certainly wasn't ten or twelve hours, Mr. Meadows added, noting that a student cannot get through a four-year college program by only taking ten or twelve hours at a time in the standard semester or quarter system. Later, this was amended to make twelve hours as full-time. Today, Mr. Meadows continued, some people argue that even twelve is not right for full-time, since a State legislature might deem ten as sufficient for full-time State benefits. It should not be a measurement issue per se but should go back to a basic philosophy that if Congress wants to have a yardstick that a student should be able to get through four years of college in 36 months, then that should be the yardstick. If not, then it gets to be an arbitrary choice, ten or twelve hours as full-time even though that won't get a student through a standard course on a regular schedule. Mr. Meadows said that this Commission should have as its obligation either to remind Congress what its philosophy is on this subject or call on Congress to state its philosophy on this subject. If you don't have something to work against, Mr. Meadows stated, there's no way you can measure anything.

Before discussing these issues further, Ms. Polzer continued her presentation of the survey results by addressing the area of improvements as suggested in the responses received to date. She said that if there is a consistency here, it is more, more, more; e.g., the responses suggested a need to get to know more about the VA, to be able to visit the VA office to walk through a piece of paper, for example, and more training on new programs. The responses suggested a need for better communications on changes in procedures and a need for more lead time before implementing the changes. The responses also suggest more one-on-one, i.e., a more physical presence of the VA on campus as was the case with the vet-rep program.

Ms. Polzer also mentioned that the responses showed an awareness on the part of the institutions that the VA has, especially in the education area, a real problem with staffing and cutbacks. The institutions suggest beefing up the VA's staffing to get the job done or get it out of the business. It is clear, Ms. Polzer said, that the institutions do not see the VA as a big bad thing sitting up on a hill, but it is simply a matter that the VA does not have the resources in the individual regional offices that are needed to get the job done. The responses also showed a concern about the lack of consistency even within the same regional office. Ms. Polzer concluded that uniformity, staffing, communications, standard class sessions issue, and consistency of VA processing were the major concerns. Also, pay cycle lists were mentioned frequently as needing to be expanded to include all programs, and many responses noted that the regulations should be in English that everyone can understand.

After a brief recess, Ms. Polzer continued by noting insofar as computers and electronic transmission of data to the VA are concerned, the survey showed between 75 and 80 percent responded that they would like to see this; however, about fifty percent said they do not as yet have the capacity to do this. In response to a question from Mr. Ketels regarding the survey's frequent mention or complaint about slow processing times, Ms. Polzer said the typical response indicated that allowing a month to process a claim would be regarded as being a sufficient amount of time. Since schools are required to report changes within 30 days, they feel that this same amount of time should be allotted the VA to complete its actions. In this regard, Ms. Steiger remarked that there seems to be a grave concern that it's not just the payment of benefits but that something happens to the veteran's status, and the school is being blamed.

Mr. Ostar noted that it seems as if only the tip of the iceberg is being touched here with the relatively small number of veterans on the rolls right now, and if the VA continues to do things the way it does now, and that the only answer is to increase dramatically the number of VA personnel, the number of phone lines, etc., the VA is going to be hit by a tidal wave. There is no way that the VA is going to be able to expand, Mr. Ostar said, if this is going to continue. He suggested to the Commission that more "radical" ways of administering the program should be considered rather than simply more of the same. Mr. Ostar offered no solutions, but suggested that the Commission's attention should be focused on alternative ways in terms of delivery of services to veterans rather than trying to put bandaids on the existing system.

Mr. Weeks of the VA spoke of the initiatives being taken to improve computerization, such as the optical disk system in St. Louis. He said that once a document is put into this system, it won't get lost, and the veteran will be paid faster. This is a one-year prototype study and will be evaluated after the end of that first year before it can be expanded. Mr. Weeks also mentioned the test project ongoing in Florida using computer transfer of documents for certifying enrollments. There have been some initial problems, but there are indications of successes in this area, also.

Despite VA's initiatives toward computerization, concern was expressed by Mr. Ostar that this is still modernizing an existing system. The question was raised whether the system fundamentally is sufficient to deal with the large volume that the VA is going to have to deal with. Under the Pell Grant program, for example, Mr. Paszkiewicz mentioned that DOE uses the schools most effectively as the disbursing agents and that there are some contractors used for processing the forms. This system has worked very well for DOE, and he suggested that the Commission look at this type of delivery system as a possibility for veterans' benefits.

Ms. Rowland next reported to the Commission on a paper she had prepared based on discussions at the last meeting as well as a position paper she received from Ohio. To summarize the paper, she said the main theme is to decide whether to continue on the road that has already been chosen and to try to make a regulation to meet every measurement issue that comes up or should the Commission retreat to that intersection and take the road to simplification and try to put some of the burden of determining what the rate of progress is back on the institutions.

In the interest of trying to reduce the costs of certifications and the costs to the Federal Government of implementing this program, Ms. Rowland suggested simplification as the best choice. Going back to the "unit" as a measurement of pursuit is what this means, she said. Looking back through old documents, she said that she found that "full-time" measurement was based on the fact that a student would have to spend 48 hours either in class or studying. Today, however, the nature of the student has changed so much that many have full-time or part-time employment while pursuing classes full-time. Schools are accommodating these students' needs by providing alternative types of programs.

Payment for full-time pursuit, she said, should not be based on whether a person sits at a computer terminal, takes it from a satellite, or gets it out in the cow pasture reading a book, but should be based on how much progress is being made toward completion of an objective.. Ms. Rowland asked whether or not that isn't truly the philosophy they should have with the G.I. Bill, trying to get people to objectives or trying to put people in a chair full-time. That has to be defined first. She added that the question should be what are they going to do with the program, are they going to mandate each and every program, are they going to have a panel of experts determining what full-time pursuit is for whatever the technology of tomorrow is, or are they going to simply it and put it back on the industry.

Mr. Sweeney told the Commission that he sees the whole issue of measurement in a broad perspective consisting on the one hand of how to determine whether a person is going full-time, half-time, or whatever based on the type of instruction or program the person is enrolled in as well as consideration to the delivery system itself, i.e., whether nontraditional, residence, classroom, laboratory, etc. The other side of the issue has to do with the payment of benefits, possible payment disbursement through the institutions. The questions to be examined, he said, are whether payments should continue to go directly to the veteran, and whether payments should still be paid upfront, which is a controversial issue.

In this regard, Ms. Steiger voiced her opinion that the concept of payments through the institutions could be ripe for scandal, and that there could also be a problem of lack of accountability. Mr. Meadows added that the change to making just a single payment to the veteran as opposed to paying a subsistence allowance to a veteran and paying the educational costs to the institution, which found high-cost institutions getting more money than lower-cost ones, came about as the result of lots of problems in making payments to institutions. A discussion followed with Mr. Paszkiewicz explaining how the Department of Education administers the Pell Grant program through payments directly to the institutions.

The Commission recessed for lunch at 12:10 and reconvened at 1:25 with Mr. Ostar explaining that during the morning session he was simply suggesting that the Commission might want to look at some of the delivery systems that the Department of Education has developed for possible application for the administration of the G.I. Bill. He expressed his concern that with the projected growth and utilization of the G.I. Bill, he questions whether the present structure can accommodate a very large increase in the numbers that will be taking advantage of the program. He said that he does not mean to suggest that the identity of the G.I. Bill be lost, but supports maintaining the integrity of the G.I. Bill. Mr. Ostar reiterated that he does not suggest a merger of the two systems, but perhaps to look at the VA as a "wholesaler" and the institutions as the "retailer" rather than the VA trying to maintain a one-to-one relationship with individual veterans. The system, however, might not be able to accommodate this, given the budget constraints.

Ms. Rowland then summarized the recommendations of the subgroup looking at measurement. The first is to eliminate standard class sessions as the determinant of rate of pursuit, which is seen as too restrictive. Miss Schaeffer explained that some schools have varying lengths as their standard, e.g., 40 or 45 minutes as a standard class session. She pointed out that the VA will accept the lower figures, if that is the published standard of the school's accrediting association. The only accrediting body that has such a published standard to her knowledge is AICS.

The reason for looking at standard class sessions, etc., explained Mr. Sweeney, is that an increasing number of programs in the future will be offered through nontraditional delivery methods such as telecommunications. If the whole thrust of postsecondary education today is going in the direction of looking at the final product, then the movement will be away from such things as standard class sessions, which is limited to residence training. Mr. Ostar agreed, noting that even now many institutions are "wiring up" so that students can sit in their dormitory rooms and access information; thus, the whole delivery system is undergoing change as electronics overtakes us.

One of the key things in the measurement concept, Dr. Sifferlen pointed out, is that assessment in higher education is probably the most leading topic of discussion in higher education, even to the point where colleges and universities have been challenged by trying to outline what students are learning, and they are asked to develop learning outcomes. Dr. Sifferlen noted that Secretary of Education Bennett last year sent letters to governors in every state indicating that if higher education is not going to deal with provisions of assessment and learning outcomes, then the governors should discuss this with their respective legislatures. Colorado, for example, is now withholding two percent of the subsidy for colleges that do not have appropriate learning outcomes identified and appropriate assessment measures matched with that. By the end of the year, six or seven states will probably have assessment measures put in place. This is important, Dr. Sifferlen continued, because the G.I. Bill of the past and how learning was measured in terms only of seat time is outmoded, outdated, and completely unrealistic. To have a proposal that is consistent with past tradition in terms only of seat time, but not allowing for telecommunications, videocassette programs, cable television, and others with such a wide variety of instructional modes, is something of the past. What is critical to postsecondary institutions is the development of learning outcomes for every one of their programs and establishing measures of assessment as to whether students are achieving those or not. The thing to be worrying about, Dr. Sifferlen said, is the outcomes that the student should get at the end of the experience, rather than how much time he or she actually sits in class.

In response to a question from Ms. Steiger about any possible consequences of doing away with the concept of standard class sessions as the determinant of rate of pursuit, Ms. Schaeffer related how the law has always seemed to go toward protecting the veteran from the schools that are not of the highest quality in training. Therefore, all the schools that this Commission's representatives are dealing with are good schools that have high qualifications and high requirements. If the requirements are reduced for everybody, Ms. Schaeffer indicated the problem is that a lot of schools may be brought in that may be questionable as to the amount of education being provided. Dr. Petersen remarked that there is no way that an agency outside the institution itself can determine what isn't appropriate in the absence of standards. In moving away from a standardized class session, then this means letting the institution itself determine what is appropriate practice there.

Following further discussion on this issue, the Chairman called for the question as to whether the Commission would recommend elimination of standard class sessions. By voice vote, those in favor of making such a proposal indicated such by saying "aye". The voting members all indicated "aye", and there being no dissenting votes, the motion was accepted.

The Chairman posed the question next on retention of the 85:15 rule. Following a brief discussion, the theory of the 85:15 rule be retained was placed before the voting members of the Commission, and by voice vote, and without any opposing votes, the "ayes" moved that the Commission recommend that this provision be kept in the law.

Discussion followed on the topic of independent study and attempts were made to come up with an acceptable definition of this type training. Ms. Rowland noted that frequently it seems as if the VA looks at independent study as being "everything else". Whenever the VA doesn't know where to put something like television courses, etc., it will put them under independent study. In this regard, Mr. Susling pointed out that in the law, if a student doesn't want to pursue a college degree but wants to pursue something else, the VA will not pay for independent study at all. Someone who is trying to gain a degree and enrolls in twelve credits of independent study is paid a lot less than somebody going to the same school, taking the same courses but is taking them by resident training. The law, by paying them less, remarked Mr. Susling, is discouraging the student from taking independent study.

Following further roundtable discussion, it was the general consensus among those in attendance that the Commission was at this point in time at somewhat of an impasse regarding independent study, to the point of not being able to come up with a basic definition of what is independent study as opposed to alternative learning systems. It was agreed, however, that the Commission does want to do something about the present system of independent study. Chairman Steiger suggested that the Commission would probably be best served by starting from scratch on independent study and by coming up with its own definition. She indicated that this topic is a very critical charge for the Commission, and that it should be examined very carefully. Dr. Sifferlen along with Mr. Susling agreed to draft a proposal regarding independent study for consideration by the Commission.

A brief discussion followed regarding further aspects of seat time and credit hour versus clock hour measurement. Ms. Rowland reiterated the position of the subgroup on measurement that units should be used as the measurement tool wherever possible. Mr. Yoder mentioned that it had been the hope of those in Congress in establishing this Commission that assessments would be made regarding the distinctions that are made in the types of programs and whether these distinctions are useful or not.

Ms. Rowland added that one of their suggestions is to shift from the focus of concern about the mode of delivery to the concern about progress to an objective, and she said they would add to that to put the determination of quality into the approval process. Mr. Ostar noted that the accrediting community is now trying to work on this matter of the relationship of accreditation to quality and quality assurance. Mr. Fowler, however, added that right now things were being held in abeyance pending Department of Education action in this regard.

Following a brief recess, Mr. Ostar and Mr. Weeks presented their subgroup's recommendations to the Commission. The first of these was on standardizing the different features, such as to allow remedial and deficiency training for Chapter 30 and Chapter 106 at an institution of higher learning at no charge to entitlement, which would be comparable to Chapter 34. On certifications, the subgroup would like to have the 85:15 rule applied to Chapter 106 as well, and to apply workstudy benefits to include Chapter 106. The subgroup also feels that monitoring by exception is a more cost-effective way of auditing institutions to ensure compliance. Rather than having regulations to cover every conceivable contingency, the VA should operate more like the IRS or the Customs Service. Random samples should also be done. Third, an "800" number should be established so that if an institution has a problem, they can call in and get it resolved. Regarding the refund of monies under Chapter 30, Mr. Ostar and Mr. Weeks indicated the subgroup may have to meet further on the issue of charge to entitlement, since the proposed legislation in the House and the Senate are a little different in this regard. Other technical matters are also being proposed by the subgroup as were presented to the Commission at the last meeting. Mr. Weeks noted that on the handout, items 7 and 9 were deleted and should be replaced by a proposal to support legislation to extend the pay reduction in the Chapter 30 program to $60 a month for a 20 month period.

Some discussion followed regarding the subgroup's proposal regarding changing how the reporting fee to institutions is counted. The goal is to boost the amount of money paid to institutions without actually increasing the reporting fee. At the suggestion of Mr. Meadows, Item 8 on Subgroup C's list of recommendations was changed to delete "or 3" so that the recommendation now reads to allow schools to be reimbursed for two certifications per year. It was also pointed out by Ms. Rowland that the school enrollment count does not include those under Chapter 31, which requires the same or sometimes much more work than the other chapters. Schools presently are not allowed a reporting fee on those students. She suggested they be included in the count. Mr. Ketels noted there were 24,599 Chapter 31 trainees in 1987. After further discussion, Mr. Ostar said the subgroup would recommend including Chapter 31 in the enrollment count and would also refine some of the other recommendations.

The Commission next discussed the 30-day reporting rule as presented in the Ohio position paper introduced by Ms. Rowland. The concern here centered on the 30 days from the "date of the event" requirement to report changes in enrollment. This is a timeframe that is set for school liability determination purposes. Ms. Rowland said this short timeframe is very unrealistic, since most professors do not give a grade until the end of the term, while at the same time colleges are not required to take attendance. She said the Ohio group is asking that the 30-day reporting period be changed from "date of event" to "date of discovery" by the institution. During the discussion on this issue, Ms. Schaeffer mentioned that the VA would soon be looking at the test being run on monthly certifications in St. Louis and comparing those with what the school reported. Ms. Steiger indicated the Commission would wait on VA's assessment before delving further into this issue.

Insofar as the subgroup on the approval process is concerned, Mr. Sweeney reiterated what had been discussed at the last Commission meeting, especially the importance that should be placed on professional development. The main two activities that had been discussed were the development of a national curriculum for State approving agency personnel and assistance for the development of a peer review process. Dr. Petersen added that it is clear that the State approving agency people provide an important service for which they are insufficiently reimbursed, and also that they could provide their service better with some training for their staff. Mr. Paszkiewicz suggested another possibility regarding the issue of payment for approval, that being for nonaccredited schools to be placed under the approval jurisdiction of the State approving agencies and a charge be made to those institutions for obtaining approval.

Mr. Sweeney, in this regard, reminded those in attendance of the differences between the accreditation process and the State approval process, which is program oriented. He stressed State involvement in assuring quality and integrity of postsecondary education programs. Discussion followed on the role of accrediting agencies and the G.I. Bill with its purpose of helping veterans complete an educational objective. Despite abuses of the past, most seemed to agree that institutions today, as well as the students, are much more serious about what they are doing.

Returning to a basic premise, Ms. Steiger asked whether the Commission still wanted to accept as a given that the G.I. Bill expects progress toward a defined goal, i.e., a degree or a certificate. If that is agreed upon, then the issue becomes how much latitude is to be given within that basic premise. Mr. Meadows added that if Congress still expects that as the type of program the G.I. Bill is to be, i.e., a program of defining objectives, of achieving objectives, and there is nothing in the history to indicate otherwise, then the Commission should remind them of that in its report, and that that type of program inevitably brings along with it a certain amount of these problems, such as measurement and paper transactions between the VA and the schools. Mr. Paszkiewicz remarked that it was interesting how the goals and objectives of the G.I. Bill are similar or the same, i.e., measurable progress toward a degree, satisfactory progress, etc., as those of the Department of Education, yet two separate approaches have been developed in terms of giving out the funds.

In response to concerns expressed by Mr. Yoder regarding quality in education and acceptable standards of quality, Mr. Ostar responded that the accreditation process sets minimum standards that an institution has to meet, and that this doesn't assure quality. This is why there are more and more calls at the state level for some kind of procedures for assessment, i.e., evaluating outputs. How do you know when someone has received a quality education other than having received a certificate or other piece of paper? The State approving agencies, Mr. Ostar said, are not so much to ensure quality as to take care of the problems of fraud and abuse.

Ms. Steiger summarized the discussions, to which everyone agreed, that the Commission would accept as a given that Congress should know that as long as they have pursuit of goals and objectives, then there's going to be some system of measurement with varying complexities. As such, changes must be worked out in that system. Bold and innovative approaches or proposals can be made within the framework that the G.I. Bill has as its basic premise the pursuit and attainment of specified goals and objectives. This does not preclude the Commission from reviewing the VA's payment delivery system and the claims processing system and comparing them to the Department of Education's systems. These are matters the Commission will continue to examine in future meetings and at field hearings.

Before concluding the meeting, Ms. Polzer indicated that field hearings would be held at three locations during the month of May. She would contact the members individually to coordinate an agenda.

There being no further business at hand at this time, the meeting was adjourned at 5:00.

Recorded by: A. Wayne Taylor

Certified Correct: ______________________________

JANET D. STEIGER
Chairman

THE COMMISSION TO ASSESS VETERANS' EDUCATION POLICY

Minutes of the Sixth Meeting

Monday, August 8, 1988

Held at the Postal Rate Commission Hearing Room
1333 H Street, N.W.
Washington, D.C.

The sixth meeting of the Commission to Assess Veterans' Education Policy was convened at 9:15 a.m. by the Chairman, Ms. Janet D. Steiger. In attendance for this meeting were:

Commission Members:

Ms. Janet D. Steiger, Chairman
Mr. William A. Fowler
Mr. Charles R. Jackson
Mr. Oliver E. Meadows
Dr. John C. Petersen
Ms. Bertie Rowland
Dr. Ned J. Sifferlen
Mr. C. Donald Sweeney
Mr. John F. Wickes, Jr.

Commission Ex Officio Members:

Ms. Jill Cochran, Representative of the Chairman, House Veterans' Affairs Committee
Ms. Celia Dollarhide, Representative of the Administrator of Veterans' Affairs
Mr. Darryl Kehrer, Representative of the Chairman, Senate Veterans' Affairs Committee
Mr. James Parker, Representative of the Assistant Secretary for Veterans' Employment and Training, Department of Labor
Mr. Chris Yoder, Representative of the Ranking Minority Member, Senate Veterans' Affairs Committee

Commission Executive Director: Ms. Babette Polzer

Veterans Administration Representatives:

Mr. Robert H. Ketels, Chief, Central Office Operations Staff, VR&E
Ms. Mary F. Leyland, Deputy Director, VR&E
Ms. June C. Schaeffer, Assistant Director, Policy and Program Administration, VR&E
Mr. William G. Susling, Education Advisor, Policy Staff, VR&E
Mr. A. Wayne Taylor, Legal Consultant, Program Administration, VR&E
Mr. Ted A. Van Hintum, Assistant Director, Field Operations, VR&E
Mr. Gerald R. Weeks, Chief, Procedures Staff, VR&E
Dr. Dennis R. Wyant, Director, VR&E

Visitors:

Mr. Jerry Cerasale, Attorney, Postal Rate Commission
Ms. Maureen Drummy, Special Assistant to Chairman, Postal Rate Commission
Mr. Lee Myers, California Community Colleges

Chairman Steiger welcomed all in attendance to the Commission's sixth meeting. She noted the loss to the Commission of Mr. Leo Paszkiewicz, who had been in a vehicular accident in April and would be physically unable to return.

Today's meeting, the last formal session prior to submission of the Commission's report, would be devoted solely to reviewing the proposed draft version that had been sent to each of the members earlier. Ms. Steiger said the purpose of this meeting was to reach a consensus on the report and its recommendations, so that the final version could be prepared by the Executive Director, Ms. Polzer, for submission to the Congressional Committees and to the Administrator of Veterans' Affairs by the September 1 deadline. It was decided that the best method of reviewing the draft report would be section by section, similar to legislative "mark up" procedures.

In the history section, it was noted that this was essentially a statement of fact. The Commission had no general consensus for making radical changes to the present system and philosophy of veterans' educational assistance benefits. The Commission did, however, see a need to emphasize increased responsibilities on the part of the participants themselves in the programs.

In its Statement of Principles and Assumptions, the Commission recognized that veterans' educational assistance benefit programs can no longer be viewed solely in the traditional sense of educational or instructional delivery modes of the past. The emphasis now must take into consideration an emerging world that is more diverse and less traditional than before. A second basic premise put forth by the Commission was to emphasize, as noted, the importance of placing increased responsibility on the G.I. him or herself for reasonable and efficient use of the benefits. Within this framework, the Commission wished to emphasize its belief that there must be changes made toward simplification and streamlining, not only of the benefits themselves but also of the administration of the programs.

Since there was a consensus on the first three sections of the draft report discussed, it was moved and accepted that these sections would be included in the final report with only a few technical and editorial changes.

The next section on centralization of processing could potentially be the most controversial issue raised by the Commission, noted Ms. Polzer. In response to questioning about the VA's position on this, Ms. Dollarhide noted that with technological changes, etc., funding would have to be assessed and would be a major consideration before any position could be taken.

In order for any consolidated or centralized processing of education benefit delivery systems to be effective and cost efficient, the Commission noted that it must emphasize and impress on the Congress the need for increased funding for the Veterans Administration. It was pointed out that the VA cannot effectively administer educational assistance programs without adequate funding from the Congress. With adequate funding and resource planning as the basic foundation for administering educational assistance programs effectively, the centralization recommendation was passed on voice vote without dissension and without further comment.

Discussion followed on the topic of changes of program. Mr. Meadows related to those present how the concept of limiting changes of program had originally been developed because many trade schools had historically been exploiting the educational assistance programs. However, removing restrictions on changes of program would be in accordance with the Commission's philosophy that a greater responsibility should be placed on the student. Insofar as counseling in conjunction with changes of program are concerned, discussion followed regarding whether career or VA benefits counseling should be required. It was the general consensus that counseling should be independent of the educational institutions in these types of situations, although the VA could contract out the services, if appropriate. It was agreed that the Commission's position would be that benefits would be denied based on counseling results only in cases of unsatisfactory progress where the reason or reasons for the unsatisfactory progress had not been removed. By voice vote, the recommendation on this section of the draft report was accepted without dissenting votes.

In discussing the next section of the draft report concerning compliance surveys and supervisory visits, Ms. Rowland pointed out that schools with problems should be the ones targeted. She also noted that most compliance survey teams tended only to report negative findings. She would like for jobs being done well to be recognized whenever appropriate. The recommendation in the draft report was accepted unanimously on voice vote with editorial changes, such as those suggested by Ms. Rowland.

In reviewing other sections of the draft proposal, general consensus was reached in most all areas with only minor editorial or technical changes. The Commission wanted to add, for example, consideration of using videotape counseling whenever appropriate, to emphasize Department of Defense responsibility for advising individuals about "kicker" entitlement, support of VA's efforts to add a block to the veterans' application for benefits regarding counseling opportunities, and to increase efforts to advise veterans upon initial application of their individual responsibilities for reporting changes in enrollment and/or status to the VA and to their school, and of the consequences and responsibilities the veterans have for any overpayments.

In the discussion regarding the draft report's recommendation regarding mitigating circumstances, the Commission voiced its general support for pending legislation for some sort of "forgiveness" rule in certain circumstances. Ms. Rowland asked that an amendment be made to the report recommending that the VA make a policy directive to include child care as an acceptable reason for withdrawing from a course. It was agreed that this would be added to the report's recommendations in this area.

The Commission voiced its approval, after some discussion, of the draft report's recommendations regarding information flow and publications. The members emphasized that funding again was a major concern, and that they support necessary resources being given to the VA to accomplish this goal of improving communications with the public.

Insofar as remedial and deficiency courses are concerned, the Commission wanted to add to the draft report a statement of its support for retaining the current regulations limiting such courses to those required for entrance into a particular institution. Concern had been voiced about past abuses regarding the PREP programs. It was feared these types of abuses could resurface unless some restrictions were included.

In other matters regarding the draft report, Mr. Jackson expressed his concern about the return of Chapter 30 pay reductions in certain cases after release from active duty and that the current pending legislation in this regard did not go far enough. The Commission agreed to add an amendment recommending that Congress look at certain situations when death occurs after the individual is released from active duty with consideration being given to restoring the Chapter 30 pay reduction in certain circumstances.

After breaking for lunch, the Commission continued its deliberations of the draft report and focused on the complex and controversial issue of measurement. After discussing this intricate and overly technical issue, the draft recommendation was accepted with some modifications. The Commission emphasized that it wanted to take a moderate approach to this issue with an emphasis toward simplification and standardization.

On the issue of reporting fees, the Commission by voice vote accepted the draft recommendations with their proposed reporting fee increase for educational institutions. Mr. Wickes dissented on this issue, however, noting that the Commission's recommendation in another section of the draft report calling for self-certification by veterans underscored the basic philosophy of placing the burden of responsibility on the veterans for accurate reporting. With the reduced reporting responsibility for schools inherent in that premise, he did not see a need for using taxpayers' money to increase the present reporting fee. Reducing the amount of reports institutions are required to make would be the same as an increase, Mr. Wickes asserted.

The draft recommendation regarding the 85:15 rule was agreed upon with an amendment that Chapter 106 should be added to the exemptions for that computation. The Commission also unanimously voiced its support of the draft report's recommendations regarding standards of progress and the work-study program.

Regarding the draft report's section on the value of home-study courses, which the Commission was unable to evaluate, Mr. Fowler expressed his concern that the text, as written, tended to be a little too negative in its tone regarding these types of programs. He felt that the text should be more positive. This section was accepted on voice vote with the editorial changes Mr. Fowler suggested.

The Commission discussed the section of the draft report on the need for training and agreed unanimously to its inclusion in their final report. Mr. Meadows wanted it emphasized that the Commission's position is that it is imperative adequate money, resources, and computer systems be made available to the VA for this purpose.

The two-year rule was also discussed, and it was determined on voice vote that the Commission would unanimously reaffirm this statutory requirement without making any recommendations for amending it.

Having examined and discussed the draft proposal in its entirety, and having accepted the contents therein with amendments and/or editorial changes, the final version would be prepared, substantive changes circulated to the Commission, and the report submitted to the Congressional Committees and the Administrator of Veterans' Affairs.

Chairman Steiger expressed her appreciation to all Commission members, ex officio members, the Executive Director, and for the support received from the Veterans Administration in helping the Commission achieve its statutory purpose. This was now realized in the final version of the report that had been accepted during the course of this meeting. With those concluding remarks, the meeting was adjourned at 3:15.

Recorded by: A. Wayne Taylor

Certified Correct: JANET D. STEIGER
Chairman

"APPENDIX B"

SURVEY OVERVIEW

Beginning in the fall of 1987, the Commission undertook efforts to obtain the broadest possible participation of individuals involved in the administration of GI Bill educational assistance benefits, to identify problems, and seek suggested solutions from those with first-hand experience in the field. Over 3,000 "questionnaires" were distributed to State Approving Agencies, VA Educational Liaison Representatives, and educational institutions, and more than 950 responses were received by the Commission. (Copies of the questionnaires appear at the end of this section.)

At the outset, the Commission understood that this effort was not intended to yield a scientifically precise statistical analysis. Rather, it was hoped that massive anecdotal information would provide us a sense of the scope of problems and ideas for improvements.

Respondents were not required to identify themselves other than by position, and there was no obligation to answer all questions. Several respondents took the time to enclose additional comments and material for the Commission's consideration.

Responses from Educational Institutions

To reach the education community, mailing lists were obtained from the American Council on Education, the National Association of Trade and Technical Schools, the Association of Independent Colleges and Schools, and the National Association of Veteran Programs Administrators. Of the nearly 3,000 questionnaires distributed to this sector, responses were received from 877 institutions. The following represents an overview of those responses in a narrative form.

The Commission did not attempt to draw any statistical conclusions from the data generated by these responses. A number of factors preclude any such analysis, including the wide diversity of individuals who completed the survey. The positions of those who graciously took the time to respond ranged from the presidents of the institutions to the veterans-certifying official to the part-time veteran work-study student to the secretary in the financial affairs office. Obviously, the expertise of each of these individuals is quite different. The work-study student is unlikely to have an educator's perspective on whether the VA's measurement of the rate of pursuit of a program of education is fair. Likewise, the president of an institution is unlikely to know what the VA considers to be "mitigating circumstances" for failing to complete a course.

The diversity of the institutions which responded also precludes drawing statistically valid conclusions. Responses came from large public institutions having hundreds of GIs enrolled, as well as from small, private institutions such as the one which noted that "we simply haven't had any veterans enrolled here in years."

It also appears that there may exist on campus a great deal of confusion and unfamiliarity with the terminology used so easily by those involved in the administration of VA benefits. For example, there was evidence some institutions did not distinguish between annual visits of the State Approving Agency and the visits of VA compliance survey specialist. Similarly, the number of individuals who indicated that they understood the VA's method of calculating "standard class sessions," even at institutions with no or very few veterans enrolled, seemed inordinately high.

The Commission believes, however, a great deal of important information was gained from these responses and expresses its appreciation to those who took the time to help in this undertaking.

Overview of Respondents:

Of the 877 responses received from educational institutions, total student enrollment ranged from 40 to 40,000, with the percentage of full-time enrollment ranging from 4 percent to 100 percent. The total veterans and other eligibles enrollment ranged from zero to 1,993 with the lowest and highest percentage of GI Bill recipients in terms of total enrollment being 0.04 and 28.15 percent, respectively, in the case of institutions having GI Bill recipients enrolled. The average veteran/eligible person enrollment at responding institutions was 144. The number of veterans/eligible persons enrolled in institutions responding with veteran enrollment data is as follows:

Chapters 30, 32 or 34	75,613
Chapter 31	5,644
Chapter 35	11,580
Chapter 106	16,748
Total	109,585

(Not included in these totals are less than 25 section 901 and 903 veteran students.)

Responses were received from institutions offering certificate courses, diploma courses, farm cooperative courses, 2-year, 4-year, and advanced degree programs, home study programs, and trade and technical studies. All respondents were either accredited by an accrediting association or were candidates for accreditation.

The number of full-time equivalent employees involved in administering VA benefits at the responding institutions ranged from a low of 0.1 to a high of 7. The clear majority (more than 60 percent) of institutions responded that one full-time employee was assigned this responsibility. On average, based on data provided by the institutions, the reporting fee received by the schools represented slightly more than 16 percent of the costs incurred by the schools. Only about 5 percent of the institutions reported that the reporting fee covered 100 percent of their costs; less than 14 percent said it covered 50 percent or more. A significant number of institutions did not supply responses to questions relating to the reporting fee, and a number noted that the amount of these fees were unknown as they were deposited directly into the school's general fund.

With respect to the VA's advance payment of educational assistance, 562 of the institutions said they participate in the program and 214 said they do not. A full-time office of veterans' affairs is maintained at 424 institutions, and no such office is maintained at 348. Of the 877 responding institutions, 217 indicated that they receive grants under the Department of Education's Veterans' Educational Opportunity Program (formerly known as the Veterans' Cost-of-Instruction Program).

Finally, 277 institutions have 812 individuals participating in the VA's veteran work-study program, with two institutions alone having 28 work-study participants.

Measurement Issues

The majority of institutions responding to the Commission's survey indicated that full-time pursuit of a program of education is the pursuit of 12 credit hours -- the same standard applied to GI Bill benefits. However, many 4-year schools indicated that pursuit of a program at this rate would not result in a degree being earned within a 4-year period and that the majority of students carried more credit hours.

In the case of non-degree granting institutions, the consistent response was that full-time training was equivalent to 22 clock hours a week -- again, the same standard as applied to GI Bill benefits.

In response to the question as to whether there are programs which the institution considers full-time but which are not considered full-time for GI Bill benefit purposes, 125 institutions -- or about 20 percent of those providing a response to the question -- responded "yes."

Examples of these programs varied widely and categorizing them all into a small number of groups is difficult. However, programs most often mentioned included:

> Diploma and certificate programs offered at degree-granting institutions where the programs are measured on a credit hour basis and 12 credit hours is full-time but do not meet the 22 clock hours standard.
>
> Nursing and allied health programs where less than 12 credit hours is considered full-time because so much time is devoted to clinical training.
>
> Accelerated and compressed-schedule courses.
>
> Programs consisting solely of independent study or individualized study.
>
> Programs offered during "intersessions" and summer semesters.
>
> Programs involving remedial or deficiency courses for individuals training under chapter 106.
>
> Student teaching.
>
> Programs consisting of off-campus internships.
>
> Graduate practicums and programs with internships, thesis or dissertation.
>
> Cooperative programs.
>
> Programs offered as a combination of resident study and self-paced television or laboratory study.
>
> Computer-based programs.

In a number of cases, institutions noted that all programs that are considered full-time by the institution are considered less than that for VA purposes. For example, in the case of one State college, the State has established 10 hours to be full-time for tuition purposes. In another, because of non-correlation of credit hours and standard class sessions, most undergraduates considered by the school to be full-time are less than full-time for VA benefit purposes.

When asked on a scale of 1 to 4 (4 being very fair) to rate the current measurement system used for the purposes of the GI Bill as representing a fair measurement of the rate of pursuit of a program of education, the responses were as follows:

Scale Rating	Number Responding	Value
1	34 (4.9%)	34
2	97 (14.2%)	194
3	235 (34.5%)	705
4	315 (46.3%)	1260
Total	681	2193
Average	3.1	

There are at least two possible interpretations of these data. First, they could suggest a high degree of satisfaction with the current measurement system given the relatively high overall average and the number of institutions responding with a "4" rating. On the other hand, the majority of respondents (54 percent) rated the current system as being less than "very fair."

Interpretation of these data is further complicated by the fact that a significant number (108) of those who responded "very fair" to the question were also respondents that either noted in response to other questions in the survey that 1) there was a program that the institution considered full-time but that the VA did not; 2) the VA should abandon the "standard class session" approach to course measurement, adopt a standard of "what the school says is full-time" is full-time, and/or otherwise make specific improvements in the measurement system; or 3) they were unfamiliar with the VA's measurement system.

When asked for specific improvements that might be made in the measurement system, responses were again widely varied. Overall, the suggestions tended to fall into one of the following categories:

1. Elimination of standard class session computations.

2. Adoption of an approach based solely on credit hours (versus clock hours) particularly for non-degree study.

3. Need for flexibility in the cases of independent study and other non-traditional pursuit.

4. Need for consistency between and among types of study.

5. Reliance upon school's determination of "full-time" pursuit.

6. Inclusion of remedial/deficiency courses in determining pursuit.

The following is a sample of problems and concerns institutions cite:

> Courses requiring an arranged lab component should be certified as regular courses, not considered independent study.
>
> Rules for all programs should be the same.
>
> Courses should be defined according to institutional requirements.
>
> Contact hours for summer quarter courses and independent study should be eliminated. Measure by credit hours.
>
> A simplified system to replace standard class sessions should be developed.
>
> Classes should be measured by credit hours earned. Payment should not be determined but seat time and standard class sessions.
>
> Classes that include lab involve more class time than is measured for standard class sessions. There could be some changes made in regard to pay rate.
>
> It's unfair that NCD students are required to attend more hours than IHL students.

Measure by length of term and credit hours only.

VA's method does not take into account contemporary delivery courses with non-standard start/end dates. Reduced standard contact hours should be allowed for unique course delivery.

Where educational programs are offered in a college setting and based upon credit hour system, the IHL guidelines for certifications and measurement should be used.

Independent study courses when necessary to maintain a students systematic course of study should be considered equal to full credit.

Any course approved as part of a degree program should be allowed as long as credits are earned.

Eliminate standard class sessions for college courses. Veterans should not be penalized for short-term courses or ability to complete sooner.

Measure pursuit by credit/quarter hour only. For NCD programs which are all undergrad level courses, measure by credit hour.

Full time status should be measured on credit hours rather than clock hours.

NCD courses should be measured on credit hours or at least on a more equitable basis with degree programs.

It is unfair that TV courses and independent study courses do not receive full benefit recognition.

The reporting system for vocational schools is unnecessarily demanding. Each hour of attendance must be documented and the clerical burden is overwhelming.

Vocational courses should be counted the same as academic courses, by credit hour and not by contact hour.

> Health-related programs with extended hospital hours should be examined as well as fire tech degrees.
>
> Greater awareness is needed that programs toward degree are often reworked around students. Degree programs are flexible.
>
> More flexibility is needed with regard to developmental courses.
>
> Some method is needed to reflect time commitment required for field experiences (internships, practica) over and above the number of credit hours.
>
> More flexibility in independent study courses from 4-year accredited colleges is needed. If credited toward a degree, nothing further (beyond catalog) should be needed for approval.
>
> Assessed and prescribed remedial math and writing courses should be considered as part of full-time credit load.

Responses to the question "Do you understand the VA's method for calculating standard class sessions?" indicate that either there is a great degree of understanding among institutions on this very complicated and involved facet of the law or that there are a great many who "don't know what they don't know." Fully 90 percent -- or 659 of the 727 institutions who responded to this question -- said they understood the calculation of standard class sessions. Only 68 responses were negative.

In many cases, however, subsequent answers tended to indicate that those who responded affirmatively did not fully comprehend the question or the issue. Also in many cases, after an affirmative response, it was noted that the VA's method of calculation did not apply at the institution.

At least two responses were remarkable for their candor: "Finally, but it took me years!" and "No, and neither does the VA."

Independent and Non-traditional Study

At the majority of institutions offering independent study, respondents characterized it as either: 1) coursework developed by a student and a member of the faculty, based on a contract for independent pursuit of an objective not usually offered in the institution's curriculum, or 2) pursuit of a course outside of the classroom consistent with classroom standards through directed readings, independent lab work, or television related (both open-circuit and video-taped) study, generally accompanied by regularly scheduled examinations.

Independent study is offered or available at nearly three-quarters of the institutions that responded to the survey. In more than half of those institutions, a limit is placed on the amount of credit earned through independent study that may be applied to a degree. In some cases, the limit may be a set number of credit hours or proportion of the total program (for example, not more than 12 credit hours or more than 25 percent of the required coursework). Often the limit varies depending on degree objectives. Sometimes independent study requires approval of the dean or other administrative official, or attainment of a specified grade point. Some institutions limit independent study to students in their final year of study or, in a few cases, only when a course is required for graduation but is not currently offered.

When asked to rate the fairness of the VA's method for measuring the rate of pursuit of a program of independent study on a scale of 1 to 4, the responses were as follows:

Scale Rating	Number Responding	Value
1	49 (11.3%)	49
2	79 (18.2%)	158
3	143 (33.1%)	429
4	161 (37.3%)	644
Total	432	1280
Average	2.96	

As was noted above in connection with the discussion of the ratings of the measurement system overall, these data must be used with extreme care, and the same point should be made in attempting to analyze the responses. Nonetheless, a comparison of the two charts may be useful in viewing the perceived fairness of the measurement of independent study as it relates to the overall measurement system.

It must be noted that in many cases where an institution offers independent study such courses are not approved for GI Bill benefits, and no veterans or other eligible persons are enrolled.

In addition to courses offered through independent study, -- institutions offer courses and programs through non-traditional modes. The offerings described in the responses ranged from single courses of study through open-circuit television and radio to cooperative internship-type ventures with local industry to entire programs of study such ass the "University Without Walls." On the whole, these non-traditional offerings tend to be more individualized, self-paced courses that accommodate the adult learner and are more dependent on technological advances such as computer-based or satellite-linked communications.

Approximately 7 out of 10 of the courses and programs described by the institutions were approved for Gi Bill benefits. In most cases, however, they were generally approved in the context of independent study or cooperative training and, therefore, measured differently than for other purposes.

The reasons cited by the institutions for the non-approval of non-traditional courses and programs tended to fall into three categories:

1) The program or course was so new that the school had not yet sought approval of it.

2) The paperwork and associated redtape involved in getting approval of the program, particularly in the case of internships, practica, honors programs, and "to be scheduled" courses requiring case-by-case approvals, led the school to opt not to seek approval of the course.

3) The course was offered entirely off-campus with no classroom component and no faculty contact (for example, internships and cooperatives).

Courses other than those offered through independent study and non-traditional modes which the institutions cited as not being approved for Gi Bill purposes tended to fall into two groups:

1) Certificate and diploma courses offered by degree granting institutions for which the school chooses not to seek approval in light of the daily attendance and record-keeping requirements associated with these courses.

2) Community-service enhancement and continuing education courses which do not lead to a vocational objective or goal.

Other reasons cited most frequently by institutions included lack of sufficient graduates and records to meet the so-called "50-percent rule," lack of veterans interest in and demand for the program/course, and courses in English-as-a-second-language.

Mitigating Circumstances

Responses to the question as to what the VA Regional Office accepted as "mitigating circumstances" for purposes of withdrawing from a course fall most often in four categories:

1) A nearly verbatim restatement of VA policy and regulation on the issue, that is, "circumstances above and beyond the control of the student that prevent the completion of a course."

2) A listing of circumstances, frequently personal illness, illness or death in the family, change in employment location or conditions, and financial hardship. Less frequently, this listing included military obligations, inability to handle the coursework, and counseling errors. Only once was jury duty cited as an acceptable cause. One response stated simply: "Two broken legs and death."

3) A statement indicating that this issue was between the VA and the veteran student and that the institution was not involved in the decision.

4) "Unknown," sometimes accompanied by a notation that the institution had had no experience with this issue, or the VA and the veteran did not share the result of any decisions with the institution.

Most responded that their own institutional policies with respect to "mitigating circumstances" were more lenient. Specifically, some schools have an "add or drop" period during which students may drop courses without question or penalty and with full or partial refund of tuition.

A number of other schools indicated that their policies were "similar" or "compatible" but provided no additional information. Others simply noted that they were in full compliance" with VA requirements.

Only a few schools responded that their policies were more stringent than the VA's.

Among trade and technical schools, responses focused most often on failure to attend and make satisfactory progress in the course.

Overall, there appeared to be few, if any, patterns or trends in response to this question. Answers tended to reflect the institutions's and the respondent's experience with the issue and the degree to which the institution was involved in the process as somewhat of an advocate on behalf of the student veteran.

Compliance Surveys and Supervisory Visits

Over 92 percent of the institutions (708 of 769) reported that a VA compliance survey had been completed at the institution in the past five years. When asked to characterize the outcome of the survey, the majority of respondents (about 55 percent) typically replied "satisfactory," "very good," "favorable," or "no problems found." A significant number (about 20 percent) reported that "Minor clerical errors" were identified or they found problems associated most often with granting of prior credit. changes in grades, and ending dates. Few (less than 10 percent) characterized the findings of the survey as "serious;"slightly more than 10 percent said they had never received any results.

Several respondents noted that they welcomed compliance surveys as opportunities for personal contact with the VA and learned from them. It was noted that the survey provided an opportunity for the school to correct minor errors and understand confusing issues and instructions.

Other respondents complained that the compliance survey was nitpicking and that the survey specialist insisted that "every I be dotted and every T crossed." More often complaints focused on the timing of surveys, particularly when scheduled during registration and the first weeks of classes. The unannounced "SWAT Team" nature of the surveys was also cited as a problem, with one respondent noting that "even VA certifying officials are entitled to go on vacation" and another asking,"Why does the VA employ this surprise attack operation. We are not the enemy!"

About one-third of the institutions (217 of 751) reported that problems had been identified by the State approving agency during an annual supervisory visit. These problems generally concerned attendance reporting, calculation of standard class sessions, articulation agreements, granting of prior credit, and recordkeeping generally. Often the problems noted were similar or identical to those found by the VA.

(In this connection, it should be stressed that it is not entirely clear that in each case, the institution made a distinction between the VA and the SAA. In some cases, it is clear that they did not; for example, one institution responded that the SAA "goes over all our veteran files annually.")

When asked to rate the seriousness of the problems that had been identified on a scale of 1 to 10 (10 being very serious), the institutions that responded averaged a rating of 2.35.

Relationships, Liaisons, and Training

All institutions were asked to rate their relationships with the VA generally, the VA's education liaison representative (ELR), and the State approving agency on a scale of 1 to 10 (10 being excellent). The following is a tabulation of those responses:

	Responses	Total Points	Average
VA Generally	772	6559	8.5
VA ELR	690	6257	9.07
SAA	757	6831	9.02

Respondents were also given an opportunity to rate other relationships. Those included more than once were:

VA Vocational Rehabilitation specialist (18 times; average 9.8)

Telephone Contacts (12 times; average 5.9)

VA Compliance Survey Specialists (4 times; average 8)

VA Regional Office Employees (3 times; average 10)

VA Workstudy Coordinator (3 times; average 5.3)

VA Adjudication (2 times; average 3.5)

VA Computers (2 times; average 3)

Veterans & Students (2 times; average 10)

More than 84 percent (or 607 institutions) of those responding to the question, "Are you satisfied with VA and State Approving Agency liaison activities and/or training?" indicated that they were satisfied; 16 percent (115 institutions) replied that they were not. When asked on a scale of 1 to 10 (10 being excellent) to rate the quality of these activities, those indicating satisfaction averaged a rating of 8.13; those not satisfied averaged 5.02. Overall, the rating averaged 7.67 on the 10 point scale.

Most institutions indicated that they participate in VA and/or State approving agency liaison and/or training activities annually or 2 to 3 times a year. The most frequent complaints about the scheduling of these activities were the infrequency of events and their scheduling too close to the institutions' "peak activity periods."

A majority of respondents (56 percent or 322 institutions) felt that these activities should be carried out more frequently. Another third of the respondents (37 percent or 214 institutions) said that there should be no change. Only 6 percent (37 institutions) felt that these activities should be carried out less frequently.

Suggestions for improvements in liaison and training activities were positive and reflective of the institutions' desire to become better informed and more accurate. The following is a sample of the comments and requests received.

> More familiarity with VA application processing and payments.
>
> More prompt information on changes and new programs.
>
> Complete training for institutional personnel on statutes, regulations, duties, forms, benefits.
>
> Standard training sessions specifically with regard to determining independent study.
>
> More workshops for new certifying officials are a must, with annual meetings at prescribed terms -- August or October, for example.
>
> When there are a lot of changes in the law, the VA should conduct workshops or seminars for schools.
>
> Offer a beginners class to explain all the basics. Develop a set of training guides for use in training new workers primarily devoted to completing applications and status changes/certs.
>
> Explanations of different chapters, what they mean, and how to deal with them.
>
> Training seems to be specific problem solving for unique situations instead of step by step procedures for typical vets.

More attention and training are needed when new programs are introduced.

Newsletter from VARO addressing most common questions with reminders of "common knowledge" would be helpful. We may only see problem one time a year.

Teaching or training session at visitation would be useful.

Need more negotiation and less confrontation.

Allow more time for schools to compare problems and solutions.

Initial training of new college VA reps is a must.

Resume the practice of regional workshops.

Specific training is needed for NCD only, separate from IHL.

Relationship used to be much better when you could get help from specific personnel instead of a toll free number. We often can't get through.

A procedural manual for new certifying officials would be extremely beneficial.

Visits to regional office.

National Guard and Reserve units need to be included in activities as they should know procedures to assist them in advising troops.

Establish a contact time with adjudicators, finance officers, and direct phone contact with adjudication.

Send new school VA clerks to another college vet office to observe and learn.

We need greater input during the formative stages of new regulations.

Updates on overpayment problems are needed.

> Would like to attend workshop on different Federal/non-Federal publications for vets or how to find specific info on VA benefits.
>
> Establish a notebook on forms used by school. Include examples of each and the procedures to follows.
>
> School certification officials need more updated information on processing paperwork. It seems to vary depending on who you talk to at the VARO.
>
> Increase frequency of training sessions.
>
> The circulars are sometimes confusing and misleading.
>
> More contact with adjudication department.
>
> VA school coordinators should be trained by VA reps.
>
> Training should be more like a classroom than Q&A session and cover very specific topics. The SAA should be more involved in the training.
>
> VA offices need to have data base from which they can produce date upon request from an institution. My one request was never answered in 12 months.
>
> When I entered the position, I was visited by SAA, VA ELR, and VRS. All were very helpful. This should be continued.

Suggestions as a whole were constructive and positive. There is a high degree of interest in learning more about VA operations and actually observing regional office procedures. Likewise, many suggest that training be offered at various levels -- new versus experienced certifying officials, non-college degree versus degree institutions, community colleges versus universities.

Other suggestions propose that institutions themselves participate more in the training, inviting experienced school officials to share their expertise -- especially in discussion-type formats, as opposed to lectures.

Interest was expressed in up-to-date instructional materials, such as the handbook published in 1984 by the American Association of College Registrars and Admissions Officials. Manuals and instructions in plain English would also be helpful.

More frequent visitations by VA officials are high on the list of suggestions, and a number of respondents expressed a desire to see reinstitution of the veterans' representative on campus program. Similarly, holding training sessions in places of closer proximity to the institutions was a repeated request.

A significant number of institutions were unaware of training and liaison activities offered by the VA. Others expressed frustration that VA training sessions had been cut back or cancelled because of budget cuts. In this connection, several institutions noted that the VA ELR is excellent but is not given the resources necessary to carry out his responsibilities.

Benefit Delivery and Electronic Mail

Nearly 65 percent of the institutions responding to the question of whether VA benefits are received in a timely fashion (469 of 726 institutions) said that they were not. Twenty-eight percent (202 institutions) responded that benefits are timely, and eight percent (55 institutions) gave a mixed response.

Frequently, two themes emerge from comments in this area. First, many respondents, both those who said benefits were timely and those saying they were not, noted that delays associated with first checks were especially long. Second, many institutions cited particular problems with benefits under chapter 106.

On the correct amount of benefits, the record was considerably better. Over 92 percent of the institutions (646 of 701 institutions) reported that benefits come in the correct amount. Only 8 percent said they do not. A small handful of institutions noted that they had no way of determining whether the benefits were correct or not, or said the benefit structure under the various GI Bills was confusing. A few noted that "kickers" and "bonuses" make determining correct benefits difficult.

Survey responses indicate there is significant interest in being able to communicate with the VA through electronic mail. Over 68 percent of the respondents (554 of 818 institutions) said they would be interested. About a third of these institutions noted, however, that they were not certain of their electronic-communicating capacity at this time. Of the 32 percent (264 institutions) who said that they would not be interested, most explained that the small number of veterans enrolled would not make it cost-effective.

Among the affirmative responses, a number concede that budgetary considerations could work against electronic mail. And it is not surprising that several institutions noted they are interested in this type of communication if the VA can provide the necessary funding.

Responses from State Approving Agencies

Surveys were sent to all State approving agencies (SAA's) with responsibilities for approving programs of education for purposes of the GI Bill; surveys were not sent to SAA's with responsibility solely for approving programs of apprenticeship or other on-job training. Responses were received from 44 SAA's -- a response rate of about 80 percent.

As previously discussed, the information generated from these responses does not readily lend itself to statistical analysis. However, a recently published report of the VA's Office of Program Analysis and Evaluation entitled, Analysis of the Education Program Approval Process: A Program Evaluation, provides an excellent source of additional data in this area.

Overview of Respondents:

The number of professional full-time staff involved in activities related to the administration of GI Bill benefits at the responding SAA's ranged from 1 to 13. Among those responding to the survey, the average number of full-time professional staff was 2.6. The number of full-time clerical staff averaged 1.5. The number of part-time professional and clerical staff averaged 3.8 and 2.5, respectively.

The number of active educational institutions within the scope of the responding SAA's totaled 5,542 and the number of active training establishment, 1,270. The number of institutions within any one state ranged from a low of 14 to a high of 543. The number of training establishments ranged from 10 to 183.

More than 70 percent of the SAA's -- or 29 of 40 -- were located at the level of the State Department of Education or comparable level. Three were within State Departments of Veterans' Affairs and two were independent commissions.

The amount of funding received annually from the VA for SAA functions ranged from a low of $38,200 to a high of $869,000, among the 40 SAA's who responded to the question. The average amount received was $154,870. With respect to the amount of funding received from other sources, respondents indicated amounts ranging from nothing to $131,500. A number of SAA's noted, however, that in-kind support was received -- such as payroll, clerical support, administrative assistance, travel, and office space -- rather than direct funding.

In terms of the proportion of time expended on approval of various types of training, the 23 responding SAA's with responsibilities in the three areas of Institutions of Higher Learning, Non-College Degree Programs/Institutions, and Apprenticeship/OJT average estimated time expenditures of 45 percent, 32 percent, and 14 percent, respectively. Administrative responsibilities was the "other" activity on which the highest proportion of time was reported.

Program Administration:

In response to the question as to what provisions of law, rules, regulations, or procedures cause the most confusion and which might be either eliminated or modified to reflect the state of education today, responding SAA's focused on measurement, the two-year period of operation requirement, the "85-15 rule," and attendance and recordkeeping requirements (particularly for non-college degree programs). Specifically, with respect to measurement, the problems of standard class sessions, clock vs. credit hours, laboratory and accelerated classes, and non-traditional study were cited as areas needing attention.

Additional concerns frequently noted were the requirement to obtain separate approvals for various types of study (such as independent study courses), enrollment certifications, and credit for prior training. The requirement for an institution to report changes in status within 30 days of the event was also identified as a problem area, as were various problems with branches and extensions.

It was noted that institutions receive reams of laws, rules, and regulations -- most of which have little pertinence and virtually none of which is in readily understood English. The need for a clear manual of instructions was emphasized.

In terms of specific suggestions for improvements, responding SAA's generally noted that the law or regulation at issue -- such as the "85-15 Rule" or the two-year period of operation requirement -- should be modified or eliminated. (Subsequent discussions with SAA representatives resulted in no consensus on the two-year period of operation requirement, and strong sentiment exists for its retention as an abuse-prevention measure.)

Other program-specific concerns mentioned by the SAA's included remedial and refresher training, other-than-college training under the chapter 106 program, and on-job training progressive-wage scale requirements.

Specific suggestions for areas that could be modified to improve the administration of the program and avoid abuses included the adoption of a "payment upon successful completion approach" to benefits, elimination of advance pay, and improved funding arrangements for SAA's generally. Other general comments urged more flexibility in the system and greater reliance on the approval process.

Non-Traditional Courses:

Examples of courses offered through non-traditional or innovative modes by SAA's most frequently included competency-based and self-paced learning, independent study, credit for life experience programs, practicums, cooperative-study and work-experience programs, and open-circuit TV courses. Other examples of courses included home-linked computer-based programs, "long-distance learning" using VCR and computer modems, programs involving no issuance of grades, and adult-degree programs, with individually designed degrees.

Non-traditional scheduling through weekend colleges, month-long semester, and compressed class sessions were also frequently mentioned by the SAA's.

One SAA responded that nearly all institutions of higher learning offer certain students classes in a non-traditional manner. Another stated that most practicums and internships on an IHL level cannot be approved under the current regulations. Finally, one SAA noted that all institutions have been "forced or coerced" to conform to a traditional structure.

The vast majority of the courses identified by the SAA's as being non-traditional or innovative were approved for GI Bill purposes, however, as many noted, not on the basis of full-time institutional training. Reasons most frequently cited for courses not being approved included failure to meet standard class session requirements, failure to meet the two-year period of operation requirement, and lack of legislative authority for specific types of study.

Very few (16) of the responding SAA's knew of a course or program offered by an institution which is not approved for GI Bill purposes but which the SAA personally believe should be approved. Examples of these were courses not meeting the two-year period of operation requirement, courses offered by schools refusing to seek approval, short courses, bartending, and flight training courses.

Even fewer (six) knew of a course or program that was approved but which the SAA personally believed should not be. These included truck-driving courses, programs offered at religious institutions which preclude women, farm-cooperative programs, off-campus independent study, and programs with objectives at the minimum-wage level.

On the whole, the response was mixed as to whether the current course measurement system is adequate to meet the need of non-traditional study. About 45 percent -- of 19 of 42 SAA's -- responded that it was not. Specific suggestions for improvement included elimination of standard class sessions and reliance on the approval process.

Supervisory Visits:

In the five years prior to the Commission's survey, responding SAA's reported identifying problems at an average of 62 of their annual supervisory visits. In no case, however, were more than 20 percent of these problems characterized as serious. On average, the percentage of serious problems found was 5 percent.

The nature of problems identified largely concerned recordkeeping and reporting problems. Failure to give credit for prior training, enforcement of progress standards, and 30-day reporting requirements were frequently cited problems encountered at institutions. As a general rule, SAA's reported that they worked with the institutions to resolve the situation and that few, if any, suspensions of approval were made. Fewer still withdrawals of approval resulted because of these problems, and most were resolved to the satisfaction of all involved.

SAA Relationships:

When asked to rate on a scale of 1 to 10 (10 being very good) the relationship with various entities involved in the administration of VA education programs, the responses were consistent and positive. Very few responding SAA's gave rating of less than 9. Only a handful of rating of 5 or less were given. Most frequently, such as in the case of VA adjudicators, no relationship existed.

On average on the ten point scale, among those SAA's responding, relationships were rated as follows:

Educational Institutions	9.8
Training Establishments	9.7
State Government	9.5
VA Education Liaison Representatives	9.4
VA Central Office	9.3
VA Adjudication	9.1
VA Regional Office Director	8.9
Veterans' Benefits Counselors	8.8

When asked to rate on a scale of 1 to 4, with 4 being very duplicative, how many of the responsibilities of the SAA were duplicative of VA activities, no rating of over 2 was given. The majority (27) of SAA's responding said "none." A number noted that, by law, the responsibilities are not duplicative.

Outreach Activities:

With respect to outreach activities and information dissemination, the majority of SAA's who responded to the survey noted that they carry out activities not performed by the VA. Examples included seminars and training sessions, courtesy calls on institutions when in the neighborhood, visits to schools where new personnel had been hired, outreach to the civilian and military communities, and development and dissemination of materials related to the administration of VA education programs.

Among SAA's reporting that they carry out activities also performed by the VA, the majority cited participation in joint workshops for institutions and some joint compliance/annual survey visits. A number of SAA's reported visits to institutions that were not reimbursed under the terms of the contract with the VA. Reasons frequently cited for the non-reimbursement were insufficient funding and no eligible enrollment. Some SAA's noted that they make "promotional" visits to institutions when in a specific area, and these are often not included in VA contracts.

Interest in electronic communications with the VA ran high among the responding SAA's. Fully 64 percent of the SAA's -- or 25 of 39 -- indicated an interest in this means of communication;a number, however, indicated concerns about having the capacity to do so.

With respect to VA training, 32 of 35 SAA's indicated that they participate; three said that they do not. Two SAA's stated that VA training was not available, and one commented that, while the training was good, it was oriented too much to VA paperwork.

Overall, the SAA's rated the quality of the VA training 7.5, on a scale of 1 to 10 (10 being excellent).

Positive and Negative Changes:

Regarding positive changes that have been made in the administration of GI Bill Benefits, SAA responses touched on a wide range of areas. Frequent responses included the chapters 30 and 106 programs, adding on-job training to the chapters 30 and 32 programs, and elimination of the graduate employment report, advance payment, and monthly certifications for non-college degree training. One SAA noted the decrease in the number of new or revised VA regulations issued. Others noted improved VA and SAA cooperation, professional approaches, and timeliness. Requiring schools to report non-punitive grades and changes in the standards of progress criteria were also mentioned as positive actions.

The most frequently cited negative change in the administration of GI Bill benefit programs reported by the SAA's was overwhelmingly insufficient and untimely funding of SAA's which impairs the ability to perform responsibilities. Other responses included the restrictions on benefits under the chapter 106 program. inflexibility, measurement (particularly with respect to NCD programs), and SAA approvals under the Veterans' Job Training Act.

One SAA cited inaccurate data supplied by VA on active institutions and another the requirement to send class schedules for NCD courses to the VA every term, noting that the VA had no use for them. The non-refundable nature of the chapter 30 program was also noted by an SAA, as was the lack of a term-by-term certification requirement.

Specific suggestions for improvements in the administration of education benefits included:

> Improving timeliness of benefits delivery (especially with respect to the chapter 106 program).
>
> Electronic communications, deregulation, flexibility, and more autonomy.
>
> More consideration of State licensing requirements.
> Improve VA and SAA staffing considerations to reduce number of personnel changes.
>
> Emphasize professional training of SAA's and enhance training of VA Education Liaison

Representatives.

Reduce requirements for non-college degree programs.

Consolidate VA reports.

Issue regular, up-to-date publications and eliminate delays in new regulations and circulars.

Training for school officials.

Separate the approval process from the benefit payment process.

Change to payment of benefits based on successful completion of a program.

Hold regular VA/SAA seminars for institutions with workshops addressing major problem areas.

Provide computer printouts on all eligible enrollments.

Improve SAA funding mechanisms.

Responses from Education Liaison Representatives

Surveys were sent to education liaison representatives (ELR's) at all of the VA's regional offices. Eighteen responses were received representing a response rate of 32 percent. Although the number of responses received was low, the overall thoughtfulness of the replies was high.

Overview of Respondents:

The number of individuals enrolled in the prior month in education or training in the areas covered by the 18 regional offices responding to the survey was 85,300. These trainees were divided among the various authorities as follows:

Chapter 30	660	1%
Chapter 31	5,619	7%
Chapter 32	13,497	16%
Chapter 34	42,577	50%
Chapter 35	8,579	10%
Chapter 106	14,454	17%

The largest regional office responding had a total of 15,900 individuals enrolled in educational assistance programs, and the smallest had 1,205.

The number of active educational institutions covered by these regional offices was 2,167, and the number of training establishments, 946.

The estimated number of full-time equivalent employees in the regional office directly involved in activities related to the administration of GI Bill benefits averaged 24.6, including some Vocational Rehabilitation and Counseling and adjudication staff.

Program Administration:

In response to the question as to what causes the most confusion for educational institutions, most ELR's focused on aspects of measurement. They cited standard class sessions and non-standard terms, measurement of non-college degree programs at institutions of higher learning, and absence reporting requirements.

The following response from one ELR sums up the responses in this area:

> To officials of higher learning the distinctions in course approval and measurement are nonsense. The value of courses is measured in credits in their view. (I share that view). These courses help comprise programs of education resulting in degrees, yet the VA seems to make value judgments in terms of payments which guide students away from valuable and important non-traditional courses. The regulations specify that courses with more or less than 50 minutes in a chair, in a class, per week, per credit are less than adequate for full payment and a separate distinction is required for these courses even though such courses fully meet requirements for degrees.

Other responses included credit for prior training, permissive exceptions, and differences between the various programs. One respondent noted the proliferation of paper and forms and another that all regulations are "poorly written and indexed, making it almost impossible to keep current and/or find, reference, and understand rules."

With respect to provisions of law, rules, regulations, and procedures that might be eliminated or modified to reflect the state of education today, answers again emphasized measurement and attendance reporting for non-college degree programs. One ELR noted that either attendance reports should be required for all programs or not at all. Two respondents suggested eliminating the State approving agency system in favor of reliance on an accreditation process.

In one case, particular reference was made to the measurement of independent study courses:

> It is intimated in the VA's measurement of [independent study courses at the college level] that they do not require as much effort as do courses pursued in residence. This is clearly not so, and with the current trend toward greater flexibility in offerings by schools, we will in all likelihood be seeing more of these courses. They should be measured on the same basis as courses pursued in residence.

Other responses to the question included the 30-day reporting requirements, non-standard grading systems, compliance surveys, changes of program limitations, and credit for prior training.

The one aspect of law, rules, or regulation that five of the responding ELR's saw as most unwieldy or administratively cumbersome was the State approving agency system. Other responses included mixed measurement, standard class sessions, the two-year rule, absence reporting, mitigating circumstances, and the 85-15 rule.

Areas in which improvements could be made to strengthen the programs included flexibility in compliance survey scheduling, adoption of a pay-upon-completion approach, increased emphasis on school liability, and the elimination of exceptions. Other ELR's noted IHL attendance requirements, starting dates for awards at IHL's (date of first class vs. date of registration) and approvals of branch campuses. More than annual enrollment certifications and approvals of independent study were also cited.

Two ELR's suggested increased emphasis on the individual veteran's responsibility. In this regard, one noted the need for:

> A regulation making veterans themselves more responsible for overpayments. We need to notify veterans as to what the rules are and make them responsible for correct payments. I know of no regulation that covers this and VA's notice to students is woefully inadequate.

The number of advisory opinions requested in the last five years by the regional offices ranged from zero (4 responses) to 75. The average number requested was eight.

Measurement and Non-Traditional Study:

Thirteen of the 18 responses described courses offered in a non-traditional or innovative manner. The majority cited non-standard or flexible class schedules. Other examples included self-paced or competency-based learning, closed-circuit television and teleconferencing instruction, programs consisting solely of independent study, and computer modem-based interactive software.

The majority (11 of the 13 responses) indicated that these courses were approved for GI Bill purposes. In most cases, however, the VA's measurement differed from that of the schools, and calculations of standard class sessions and clock-and credit-hour conversions were involved. For example, in the case of a weekend college program, the course was considered independent study for payment purposes as there were insufficient class sessions to support it as a course in residence.

In the case of the two non-approved programs, the reasons for disapproval were the fact that 1) the program was not offered by an accredited school and 2) no school would accept responsibility for certifications.

One example of the problems in this area was illustrated as follows:

> In our area several excellent schools offer self-paced computer technology courses, which operate on an open door policy. In other words, the student can come and go, scheduling time around his work and personal life, without maintaining a fixed schedule. The courses are ideally suited to a person who is upgrading his/her skills in a very competitive area of industry/business. VA's strict requirements for establishing a fixed schedule so timeliness/absences can be monitored forces the student to lose the flexibility that these schools feature. [In order to be approved for GI Bill purposes,] special rules had to be established for veteran students, forcing them to set and adhere to a fixed schedule, thus losing the flexibility that makes these schools so popular.

Three respondents cited examples of courses that were not approved for GI Bill purposes but which the ELR believed should be approved. These included non-college degree courses offered by institutions of higher learning which had declined to seek approval because of attendance and recordkeeping requirements, competency-based trade and technical programs, and innovative courses in general. In this latter regard, it was suggested that a move be made "toward courses that serve the student rather than those that serve the bureaucracy."

A greater number of respondents (nine) gave examples of courses that were approved but which the ELR believed should not be. These included non-degree courses of relatively short duration leading to minimal employment, bar and CPA review courses, flight training, correspondence courses, and farm cooperative programs.

One replied:

> All degree programs offered primarily or solely through independent study [should not be approved]. Students [do not] learn as much or gain the same subject or research understanding as students do through more traditional, in-resident programs. Associates or Bachelors in General Studies [are also in this category]. These degrees are meaningless and do not serve the original purpose of the GI Bill.

Another noted:

> Many independent study, reading and conference, tutorial, and similar courses have virtually no structure, and essentially are competency-based courses. They should not be approved at IHL's when they are not at NCD's.

Finally, one ELR cited:

> The influx of associate degree programs now offered by "former" business schools. Believe these degrees are asham but [I] realize they give schools more freedom in relation to education loans, etc.

On the question of the adequacy of the current course measurement system in terms of non-traditional study, the responses were almost evenly split. Nine responded that the current system was adequate; eight said that it was not.

Suggestions for improvements in this area included reliance on institutional standards, payment on the basis of credits earned/pursued, and the development of a system in conjunction with the accrediting agency and the schools involved.

Specific comment was made on the rigid nature of the current system and particularly the fact that it cannot accommodate self-passed instruction and "assumes all students progress at the same pace." Another noted:

> VA makes too many distinctions which cause administrative burdens, burdens on students and schools, and which in the final analysis make no difference. Students who are granted degrees using non-traditional courses compete in the job market on an equal basis with VA beneficiaries who take traditional courses to get their degree.

Finally, one respondent suggested:

> Let the educational community (colleges and universities) determine the credits acceptable for graduation and certify as such. The VA is too tradition bound and too slow to react to a changing educational climate.

Program Abuse:

The estimated number of compliance surveys conducted by the responding regional offices during the past five years totaled 9,468 and ranged from a low of 160 to a high of 1,140. The average number of surveys completed per regional office was 526. The number of expanded surveys totaled 383 and ranged from none to 100 with an average of 21. A total of 128 and an average of 7 one-hundred percent surveys were completed within a range of none to 35.

Five regional offices indicated that they had been unable in at least one of the preceding five years to complete scheduled compliance surveys. In each case, the reasons for not completing these surveys were personnel shortages or other budgetary limitations, such as lack of travel funds.

ELR responses reported identifying problems in an average of about 63 percent of the compliance surveys, with responses ranging from 10 percent to 95 percent. In only about nine percent of the cases, the problems identified were characterized as "serious."

The nature of the problems found tended overwhelmingly to be clerical errors or related to recordkeeping generally. Several ELR's noted that frequent staff turnovers and the complexity of the programs contributed to the difficulties in this area.

Virtually all of the ELR's reported that the problems were resolved through cooperative efforts on behalf of those involved, including such steps as meetings with school officials, training, and follow up. In some cases, legal actions and school liability procedures were initiated. One ELR pointed to an institution of higher learning that had withdrawn its non-college degree programs for veterans rather than comply with recordkeeping requirements. Another stated quite simply that the steps taken to remedy problems were "threats."

With respect to referral of cases to the State approving agency for action, ELR's reported that an average of 1.3 percent had resulted in suspension of approval and 1.1 percent in withdrawal of approval. In most cases, the SAA worked with the VA and the institution to ensure corrective steps were taken. Several ELR's noted that the time involved in the resolution process was longer than necessary.

One noted that "apparently, the SAA believes its role is to protect the schools from the VA. Any action requiring a decision -- unfavorable -- is referred back to the VA. SAA does not want to accept responsibility." Conversely, another ELR noted, "There have been cases where the SAA was able to take action where it would have been extremely difficult for the regional office to act."

All but one response noted that a compliance survey at an institution with a history of compliance had identified problems. On the whole, these problems tended not to be serious in nature. It was again noted that program complexity and staff turnover within the institution was a principal factor.

Relationships:

When asked to describe on a scale of 1 to 10 (with 10 being excellent) relationships with others involved in the administration of GI Bill programs, responses showed a wide range. Only three respondents gave straight ratings across the board, although no respondent gave any rating of less than "5."
On average, relationships were rates as follows:

Veterans' Benefit Counselors	9.39
Educational Institutions	9.06
VA Adjudication	9.00
State Approving Agencies	8.72
VA Central Office	8.44

On the whole, the responses dealing with relationships with the SAA evidenced a wide range reflecting different perspectives of the individuals involved. In terms of duplication of responsibilities between the VA and the SAA, on a scale of 1 to 10, with 10 being very duplicative, ELR's gave an average 4.2 rating. One respondent said that "since the SAA never takes the initiative in solving or dealing with difficult problems, we never duplicate but carry their responsibilities for them." Another said "None of our responsibilities are duplicative. SAA does excellent job."

More than half of the ELR's indicated that the SAA conducted outreach and trouble avoidance activities on its own, as well as participated in joint VA/SAA workshops and conferences. A number cited contacts with military organizations and others within the education community. Another example was given of an SAA sending mailings in problem areas. One response characterized the SAA as a "buffer between the VA and the educational community." Finally, one ELR noted:

> Extensive outreach in military programs, including active duty and the selected reserves. SAA is highly involved in all areas concerned with veterans, military and dependent education.

With respect to the SAA system generally, one ELR noted that "in truth, they make my job more difficult because they add a third party to the approval/communications process." Another said, "With additional staffing, the VA could do a much better job." On the other hand, one ELR noted that the SAA was critical in insuring that schools initially meet and continue to meet all VA, State, and local approval criteria and rules.

Liaison and Training Activities:

Each of the ELR responses described training and liaison activities carried out for educational institutions and training establishments. Virtually all undertake some sort of annual training workshop or conference, although several noted that budget cutbacks limit the frequency of these events. A number noted that they try to pay a special visit to institutions when new certifying officials are hired but that, again, efforts in this area arefrustrated by the frequency of the turnovers and budgetary limitations.

Combining compliance surveys with liaison visits to nearby institutions was a common practice. Other ELR's reported that they published bulletins and newsletters for institutions and attempted to maintain frequent phone contact. In specific reference to phone contact, one respondent expressed concern over the VA's work-measurement criteria and the lack of an "end-product credit" for phone work completed.

Throughout the surveys, the effect of the Veterans' Job Training Act on the resources of the regional office was evident. A number of responses noted that the approval of slots under this program had consumed significant time, leaving little time for other activities.

In response to the question as to what training had been provided to the ELR to assist in the fulfillment of job responsibilities, several ELR's noted joint VA/SAA annual conferences. Many of these noted that the training was sporadic and limited by budget considerations.

Most ELR's indicated that they had received most, if not all, of their training on the job, from a predecessor, or as an assistant ELR.

One respondent indicated that no training was provided and that it was "simply learn as you go" Another said the training was "a manual."

When asked to rate on a 1 to 10 scale (10 being excellent) the quality and frequency of training, the responses indicated a high level of dissatisfaction. Although two ELR's gave both quality and frequency ratings of 10, one gave both a 1 rating, and two gave ratings of zero. Overall, quality received an average 6.6 rating and frequency an average 4.3.

The ELR's who responded to the survey had been employed by the Federal Government for an average of 19.8 years, by the VA for 15.2 years, and in the ELR position for 5.5 years. A number noted that, prior to becoming the ELR, they had served as an assistant ELR.

Other Suggestions:

Specific suggestions for improvements in the administration of the educational assistance programs were varied and often extensive. At least half of the respondents mentioned enhanced computer capabilities. Several cited the need for a master listing of veterans enrolled in training. An on-line, up-to-date and indexed file of law, regulations, and procedures, as well as an on-line facilities file, was suggested.

The need for adequate staffing resources within the VA was also stressed. Three respondents suggested abandoning the State approving agency system and two suggested giving the SAA's more authority.

Two recurrent themes were the need for simplification and standardization of the various programs and the placing of more responsibility on the individual veteran. More cooperation at all levels would also contribute to administrative efforts as would more autonomy in determining compliance survey schedules and selecting institutions to be surveyed.

The following two responses, cited in their entirety, demonstrate the responses received:

> Rely LESS on accrediting agencies for approval criteria, give SAA's MORE authority to determine the QUALITY of training offered by schools, limit school liability more than it is now, but streamline and quicken the school

liability process, place more responsibility on veterans and beneficiaries for overpayments, broaden the VA compliance survey program and allow more local latitude in determining which schools and facilities are to be surveyed, provide for specialization in Adjudication Divisions so that certain adjudicators handle all of the (many times complex) education cases for consistency in award actions.

1. At least annual conferences for education staff - ELR's & Compliance staff.

2. Regular training or information training through videotape/workbooks, etc.

3. A computerized-on line reference data base containing all active directives, opinions and regulations and subject/keyword index to allow easy and quick access to rules and procedures.

4. Greater local authority to determine which schools [are] surveyed each year and how extensive surveys should be.

5. Regular training and reference material from Central Office to give school officials to keep them updated.

6. Easier access to master record data base and simpler format for getting information on school enrollments by category of trainee.

7. An effort to rewrite and simplify VA regulations so schools and veterans could more easily reference, better undertstand, and use the rules we administer.

8. Stay in closer communication with the education community to respond quickly and appropriately to changes in educational philosophy, and conduct of educational programs at schools.

9. Closely monitor delivery of VA services to students to fully understand the impact of policy decisions on the client we serve. Example -- monthly certification requirements delay payments to students, cause additional administrative time, create ill will, and in the aggregate do not significantly prevent overpayments in my views. Yet, the new Chapter 30 program requires monthly certifications by all students.

COMMISSION TO ASSESS VETERANS' EDUCATION POLICY
• QUESTIONS FOR INSTITUTIONS •

GENERAL AND STATISTICAL:

TYPE OF INSTITUTION/OFFERINGS - Please check all that apply

_____ Accredited by (Accrediting Body): __________________________
_____ Non-accredited

_____ Public _____ Private non-profit _____ Private-for-profit

_____ Certificate courses
_____ Collegiate (4 Year Undergraduate)
_____ Collegiate (Graduate)
_____ Cooperative
_____ Farm Cooperative
_____ Home Study
_____ Professional
_____ Training establishment (Apprenticeship/OJT)
_____ Other (specify) __________________________
_____ Diploma Courses
_____ Collegiate (2 Year Undergraduate)
_____ College courses not leading to a standard degree
_____ Elementary
_____ High School
_____ Non-college degree courses
_____ Trade/technical

Average Cost of Tuition and Fees: ______________
Average Total Enrollment (full and part time): ______________
Percentage of full-time student enrollment: ______________

Number of individuals certified:
Veterans (Chapter 30, 32 or 34) _______
Service-Connected Voc Rehab (Chapter 31) _______
Dependents (Chapter 35) _______
Reservists (Chapter 106) _______

Number of full-time equivalent institutional staff directly involved in VA certification activities: _______
Estimated annual cost of VA certification activities: _______
Annual amount received from VA in reporting fees: _______

Are advance payments of GI Bill benefits made at your institution? YES NO
Is a full-time Office of Veterans' Affairs maintained? YES NO
Does institution receive VEOP (formerly VCIP) funding? YES NO

Current number of VA Work-Study Staff: _______

MEASUREMENT:

Briefly describe what the institution considers full-time pursuit of a program of education:

____
____
____

Is there a program of education offered which the institution considers full-time but which is not considered full-time for purposes of GI Bill benefits? YES NO

(If YES, please describe) __________________________________
____

On a scale of 1 to 4 (4 being VERY FAIR), how do you feel the current measurement systems used for purposes of GI Bill benefits represent a fair measurement of the rate of pursuit of a program of education? _______

What improvements would you suggest be made in the manner in which courses are measured for GI Bill purposes?

Do you understand the method used for calculating "Standard Class Sessions"? YES NO

When applying "Standard Class Sessions" to accelerated classes at your institution, are the results of the calculations consistent? YES NO

If not, why not?

When applying the "Standard Class Sessions" formula, are different sections of the same course similar or dissimilar? SIMILAR DISSIMILAR

In the case of courses which meet for periods more than 50 minutes in length, are class breaks "scheduled"? YES NO

If not scheduled, how are breaks determined?

Does this affect the calculation of "Standard Class Session"? YES NO

NON-TRADITIONAL STUDY:

Briefly define "Independent Study", if applicable, as presented by your institution:

May a student pursue both independent study and traditional classroom courses at the same time? YES NO

Do you limit the number of "independent study" units which apply to an undergraduate degree? YES NO

If limited, what is the maximum number of units of independent study which may apply to a degree?

Are there any programs offered by the institution which require the completion of a course of "independent study"? YES NO

If YES, please describe:

On a scale of 1 to 4 (4 being VERY ACCURATELY), how do you feel that the present method of measurement of independent study for GI Bill purposes reflects the rate of pursuit by the student?

Briefly describe any course(s) which is offered through non-traditional or innovative modes.

Is this course(s) approved for GI Bill purposes? YES NO

If NO, why not?

If YES, how is it measured?

Does the measurement of the course(s) for purposes of GI Bill benefits differ from the measurement of the course(s) for other purposes? YES NO

Are there courses/programs (other than independent study) offered by your institution which are NOT approved for GI Bill purposes? YES NO

If YES, please describe these courses/program briefly and indicate why they are not approved. ____________

PROGRESS STANDARDS:

What circumstances does the VA consider "mitigating" for the withdrawal of a student from a course?

What documentation does the VA require to establish mitigating circumstances?

How does your institutional policy compare with the VA's? ____________

What does your institution consider to be "satisfactory progress"?

AUDITS:

In the past five years, has a VA compliance survey been conducted at your institution? YES NO

If YES, please describe the results: ____________

In the past 5 years, has the State Approving Agency identified any problems at your institution? YES NO

Explain: ____________

On a scale of 1 to 10 (10 being VERY SERIOUS), how would you characterize the seriousness of the problems identified? ______

MISCELLANEOUS:

On a scale of 1 to 10 (10 being VERY GOOD) please describe your relationship with:

The VA generally ______ VA Educational Liaison Representative ______
State Approving Agency ______ Other (specify): ____________ ______

Are you satisfied with VA and State Approving Agency liaison activities and/or training? YES NO

How frequently does your institution participate in such activities? ______
On a scale of 1 to 10 (10 being EXCELLENT), how do you rate the quality of these activities? ______

Should these activities be carried out more or less frequently? MORE NO CHANGE LESS

What types of training and/or liaison activities, if any, would you like to see offered or expanded?

In your personal opinion, what is the most positive change that has been made in the administration of GI Bill benefits from the beginning of your association with the program?

The most negative?

Are benefits delivered on a timely basis to veterans/eligible persons?	YES	NO
Are benefits in the correct amount?	YES	NO

What suggestions for improvements would you propose in the administration of GI Bill benefits?

If it were possible to send to and receive from the VA reports, certificates, and other materials via electronic m, would your institution be interested and have the capacity to participate in this means of communication?
YES NO

TITLE OF INDIVIDUAL COMPLETING SURVEY: ______________________________

OPTIONAL:

Institution and Address:

THE COMMISSION IS DEEPLY GRATEFUL FOR YOUR HELP AND YOUR TIME.

PLEASE RETURN THIS SURVEY TO:

Commission to Assess Veterans' Education Policy (226D)
Babette V. Polzer, Executive Director
c/o Veterans' Administration
810 Vermont Avenue, Room 427
Washington, D.C. 20420

COMMISSION TO ASSESS VETERANS' EDUCATION POLICY
QUESTIONS FOR STATE APPROVING AGENCIES

STATISTICAL

Estimated staff directly involved in activities related to the administration of GI Bill benefits at the SAA:

Full time:	Professional:	_____	Clerical:	_____
Part time:	Professional:	_____	Clerical:	_____
Total Professional FTE (FY 1987)			_____	

Number of active educational institutions: _____
Number of active training establishments: _____
Average number of veterans/other eligibles per institution: _____

Level at which SAA is jurisdictionally located within State government: _____
Area of SAA responsibilities (IHL, NCD, OJT, etc.): _____

Amount received annually from the VA for SAA functions: _____
Amount received from other sources (including support services): _____

Proportion of time expended (out of total time allocated to SAA responsibilities) on approvals of --

Institutions of Higher Learning	_____	NCD Programs/Institutions	_____
Apprenticeship/OJT	_____	Other (specify): _____	_____

PROGRAM ADMINISTRATION:

In your opinion, what provisions of law, rules, regulations, or procedures cause the most confusion for institutions and establishments and what improvements would you suggest?

_____

_____

_____

What, if any, provisions of law, rules, regulations, and procedures do you believe could be either eliminated or modified to reflect the state of education today? What modifications would you suggest?

_____

_____

_____

What one provision of law, rules, or regulations do you personally find most unwieldy or administratively cumbersome? _____

On a scale of 1 to 10 (10 being very effective), how effective do you believe this one provision is in doing what it was designed to do? _____

What provisions of law, rules, or regulations do you believe could be strengthened in order to avoid abuses?

_____

_____

NON-TRADITIONAL COURSES:

Briefly describe any course of which you are aware offered through non-traditional or innovative modes.

_____

_____

_____

Is this course approved for GI Bill purposes? YES NO

If NO, why not? ____

____

Are there courses/programs offered by an institution which are NOT approved for GI Bill purposes but which you personally believe should be? YES NO

If YES, please describe these courses/programs briefly and indicate why they are not approved.

____

____

Are there courses/programs offered by an institution which ARE approved for GI Bill purposes but which you personally believe should NOT be? YES NO

If YES, please describe these courses/programs briefly and indicate why they should not be approved.

____

____

Do you believe the current course measurement system is adequate to meet the needs of non-traditional study? YES NO

If NO, what specific changes would you recommend? ____

____

____

COMPLIANCE SURVEYS:

In the past 5 years, in what percentage of annual supervisory visists were problems identified at educational institutions and/or training establishments? __________

What percentage of the problems would you characterize as "serious"? __________

Briefly describe the nature of these problems.

____

____

____

Please describe any steps taken to remedy them.

____

____

What has been the disposition of cases referred to your State Approving Agency?

____

____

What percentage of referrals has resulted in the withdrawal of approval? __________

In the suspension of approval? __________

In the past 5 years, to your knowledge, has a VA compliance survey or a supervisory visit identified problems at an institution or establishment which previously had a "clean bill of health" for at least a 3-year period? YES NO

On a scale of 1 to 4 (4 being VERY SERIOUS), how would you characterize these problems? __________

MISCELLANEOUS:

On a scale of 1 to 10 (10 being VERY GOOD), describe your relationship with:

Educational institutions	______	Training Establishments	______
VA Adjudication	______	VA Education Liaison Representative	______
Veterans Benefit Counselors	______	VA Regional Office Director	______
VA Central Office	______	State Government	______

On a scale of 1 to 4 (4 being VERY DUPLICATIVE), how much of your responsibilities are duplicative of VA activities? ____________

Do you carry out any outreach, information dissemination, and/or trouble avoidance functions not performed by the VA? YES NO

If YES, please describe: ____

____

Do you carry out any outreach, information dissemination, and/or trouble avoidance functions also performed by the VA? YES NO

If YES, please describe: ____

____

How many times in the past year did your SAA make site visits that were not reimbursable by the VA? ____________

What were the nature of these visits? ____

____

Why were they not reimbursed? ____

What percentage of your site visits do you estimate were to educational institutions/training establishments where --

No eligible recipients were enrolled (for example, veteran had completed training in March and visit was made in August)? ____

Total number of eligibles enrolled was less than 5? ____

Total percentage of eligible enrolled was less than 10% of total enrollment? ____

In your opinion, what is the most positive change that has been made in the administration of GI Benefits?

____

____

The most negative? ____

____

If it were possible to send to and receive from the VA materials via electronic mail, would you would interested in and have the capacity to participate in this means of communication? YES NO

How long have you been employed by the SAA? ____________

Do you participate in training offered by the VA? YES NO

If YES, on a scale of 1 to 10 (10 being EXCELLENT), how do you rate this training? ________

What suggestions for improvement would you propose in the administration of GI Bill benefits?

What other State or national issues of an approval nature are you aware of that should be considered in efforts to improve upon the current State Approving Agency process for GI Bill purposes?

THE COMMISSION IS DEEPLY GRATEFUL FOR YOUR HELP AND YOUR TIME.

PLEASE RETURN THIS SURVEY TO:

Commission to Assess Veterans' Education Policy (226D)
Babette V. Polzer, Executive Director
c/o Veterans' Administration
810 Vermont Avenue, Room 427
Washington, D. C. 20420

COMMISSION TO ASSESS VETERANS' EDUCATION POLICY
QUESTIONS FOR EDUCATION LIAISON REPRESENTATIVES

STATISTICAL:

Estimated number of individuals enrolled in training during prior month:
Veterans: Chapter 30 ______ Chapter 32 ______ Chapter 34 ______
Service-Connected Voc Rehab (Chapter 31): ______ Dependents (Chapter 35) ______
Reservists (Chapter 106) ______

Estimated number of staff directly involved in activities related to the administration of GI Bill benefits at the RO:
FTEE: ______ Full time: ______ Part time: ______

Present number of active educational institutions: ______
Present number of active training establishments: ______

PROGRAM ADMINISTRATION:

In your opinion, what provisions of law, rules, regulations, or procedures cause the most confusion for educational institutions and/or training establishments and what improvements would you suggest? ______

What, if any, provisions of law, rules, regulations, and procedures do you believe could be either eliminated or modified to reflect the state of education today? What modifications would you suggest? ______

What one provision of law, rules, or regulations do you personally find most unwieldy or administratively cumbersome? ______

On a scale of 1 to 10 (10 being very effective), how effective do you believe this one provision is in doing what it was designed to do? ______

What provisions of law, rules, or regulations do you believe could be strengthened in order to avoid abuses in the future? ______

How many times during the past 5 years has an advisory opinion been requested from CO by your RO? ______

MEASUREMENT/NON-TRADITIONAL INSTRUCTION:

Briefly describe any course of which you are aware which is offered through non-traditional or innovative modes.

Is this course approved for GI Bill purposes? YES NO
If NO, why not? ______

If YES, how is it measured? ______

Are there courses/programs offered by an institution which are NOT approved for GI Bill purposes but which you personally believe should be? YES NO

If YES, please describe these courses/programs briefly and indicate why they are not approved.

____

____

____

Are there courses/programs offered by an institution which ARE approved for GI Bill purposes but which you personally believe should NOT be? YES NO

If YES, please describe these courses/programs briefly and indicate why you believe they should not be approved.

____

____

____

Do you believe the current course measurement system is adequate to meet the needs of non-traditional study? YES NO

If NO, what specific changes would you recommend? ______________________________

____

____

PROGRAM ABUSE:

In the past five years, how many VA compliance surveys have been conducted by your RO? __________

How many expanded surveys? __________ How many 100% surveys? __________

In the past 5 years, has your RO been able to complete scheduled compliance surveys? YES NO

If NO, why not? ______________________________

____

In the case of the annual compliance surveys, in what percentage do you estimate problems were identified at educational institutions/training establishments? __________

What percentage of institutions/establishments had what you would characterize as "serious" problems? __________

Briefly describe the nature of these problems.

____

____

____

Please describe any steps taken to remedy them. ______________________________

____

____

In the past 5 years, during annual supervisory visists, has the State Approving Agency identified any problems at institutions of which you are aware and/or which have been reported to the VA? YES NO

If YES, briefly describe these problems and any steps taken to remedy them.

____

____

____

What has been the disposition generally of cases referred to the State Approving Agency?

____

____

What percentage of referrals has resulted in the withdrawal of approval? ______ Suspension? ______

In the past 5 years, to your knowledge, has a compliance survey or a supervisory visit identified problems at an institution/establishment which previously had a "clean bill of health" for at least a 3-year period? YES NO

On a scale of 1 to 10 (10 being VERY SERIOUS), how would you characterize these problems? ____

MISCELLANEOUS:

On a scale of 1 to 10 (10 being EXCELLENT), describe your relationship with:

Educational institutions ______
State Approving Agency/ies ______
VA Central Office ______
VA Adjudication ______
Veterans Benefit Counselors ______

On a scale of 1 to 10 (10 being VERY DUPLICATIVE), how much of your responsibilities do you believe are duplicative of those of the State Approving Agency/ies? __________

Does the State Approving Agency/ies carry out any outreach, information dissemination, and/or trouble avoidance functions of which you are aware? YES NO

If YES, please describe:

____

____

Please describe what you view as the most important function of the State Approving Agency in terms of assisting you in fulfilling your responsibilities. ____

____

Does your RO offer training and/or other liaison activities for educational institutions/training establishments? YES NO

If YES, please describe the activities (including, if possible, the frequency, costs, and nature of them):

____

____

____

Have you to any extent been able to automate your activities either through the WANG system, individual PC's or other means? (Please be as specific as possible.)

____

____

____

How long have you been employed in the Federal Government? __________
How long by the VA? __________
How long in your present position? __________

What training has the VA provided to assist you in your responsibilities? ______________________________

____

____

On a scale of 1 to 10 (10 being EXCELLENT), please rate --
Quality of training ____ Frequency of training ____

What suggestions for improvement would you propose in the administration of GI Bill benefits?

THE COMMISSION IS DEEPLY GRATEFUL FOR YOUR HELP AND YOUR TIME.

PLEASE RETURN THIS SURVEY TO:

Commission to Assess Veterans' Education Policy (226D)
Babette V. Polzer, Executive Director
c/o Veterans' Administration
810 Vermont Avenue, Room 427
Washington, D.C. 20420

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